



Daily Report

East Asia

FBIS-EAS-96-049
Tuesday
12 March 1996

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**Philippines President Suggests World Court To
Handle Terrorism**

BK0803075296 Manila MANILA STANDARD
in English 5 Mar 96 p 3

[Report by Joem H. Macaspac]

[FBIS Transcribed Text] President Ramos yesterday urged world leaders to establish an international court of law that will deal with terrorism, saying the world tribunal can mete out stiff punishment against terrorists operating beyond national borders.

Mr. Ramos also proposed the immediate enactment of an international criminal code which outlines felonies recognized by member states as crimes against humanity and sets the procedures for dealing with them.

Mr. Ramos made his proposals in a speech during the 35th Asian- African Legal Consultative Session Conference [AALCSC] held at the Shangrila Hotel in Makati City.

His proposals were the latest of a series of moves aimed at combating international terrorism in the Philippines.

International mechanism

Unperturbed by strong opposition to a Palace proposal to enact a local anti-terrorism law, Mr. Ramos said the creation of an international criminal court will address the need for an effective grievance and petitioning mechanism on the international level.

He said this mechanism will afford private parties victimized by parties or syndicates operating beyond national borders some redress for their grievances.

The chief executive stressed that these concerns were specifically addressed in the international conference

to counter terrorism among 21 countries hosted by the Philippines in Baguio City two weeks ago.

He said the experts on counter-terrorism were one in pushing for a united international front to combat this new menace, including a concerted drive against drug trafficking.

To be included in these so-called crimes against humanity, are offenses committed against minors.

"We propose the inclusion of crimes committed against children on the list of crimes against humanity," the president said.

Migrants' plight

Also, the president called for international cooperation on the plight of economic migrants in Asia and Africa, saying those forced to flee their homelands need compassion and understanding.

On the plight of migrant workers, the president called on the assistance of the AALCSC to support the establishment of a regional basic rights tribunal to act on the workers' grievances.

The cases of violence and human rights abuse need more than a monitoring committee, but rather a tribunal must be created and equipped with the power to intervene, to stop and to punish those who violate the individual rights of women, children and migrant workers, he said.

Mr. Ramos also said the United Nations High Commission for Refugees should assure that laws granting women international protection against gender-based persecution be strictly followed.

Thai Deputy Prime Minister Urges Link Among Regional Groups

BK0503045596 Bangkok THE NATION in English
5 Mar 96 p B1

[Unattributed report]

[FBIS Transcribed Text] Deputy Prime Minister Amnuai Wirawan has called for a link between the three regional groupings Asia Pacific Economic Cooperation (APEC), ASEAN Free Trade Area (AFTA) and the European Union (EU) by saying that a complete link would create unlimited opportunities.

However, he stressed that the success of trade liberalization can only be obtained through a commitment to open-regionalism — where any trade openings agreed on within the group will ultimately be offered to outsiders.

Amnuai also warned that future trade tensions and protectionism are likely to become serious problems undermining world economic growth.

Speaking at the Asia Business Leaders; The Bangkok Dialogue, at the Regent Hotel yesterday, Amnuai said in spite of the pressure for further trade liberalization, the potential for trade tensions and protectionism remain serious. "As the global economic recovery is economically and politically unsustainable in the global setting," he said.

Amnuai also noted the strong economic performance in East Asia has been with a sharp increase in trade and investment within the region itself. The region's own markets are therefore critical to the sustainability of its growth.

A caveat is: there are limits to intra-regional expansion. Trade and output growth still depend on extra-regional markets.

"This makes the tasks of trade and investment liberalization and reform a real reform rather than a luxury," he said.

Former Prime Minister Anan Panyarachun viewed the biggest challenge facing business in Asia is human resources.

"The lack of qualified and well trained executives has the potential to derail our progress more than any other single factor," he said.

Malaysia's Anwar Views East Asian Trade Growth
BK0903130996 Kuala Lumpur THE STAR in English
9 Mar 96

[Unattributed report — received via Internet]

[FBIS Transcribed Text] Kuala Lumpur — Datuk Sri Anwar Ibrahim said there were enough forces impelling East Asian nations to co-operate and the Malaysia-initiated East Asian Economic Caucus (EAEC) could provide the framework.

The Deputy Prime Minister said East Asia could not afford to retreat and become inward-looking.

"Although problems and opportunities we are facing and likely to face will differ, there are enough common problems and opportunities that will demand co-operation and a common approach," Anwar said.

He said this in his speech at the Japan Institute of International Affairs (JIIA)-Malaysia Institute of Strategic and International Studies (ISIS) symposium on East Asian economies.

"The forces that impel us to seek co-operation is all too apparent. The economies of East Asia have become more integrated.

"Inter-regional trade within East Asia has been growing rapidly while capital flow within the region has been growing substantially as in the flow of human capital making borders between the nations porous," he said.

Anwar said when talking about co-operation, there tended to be a misconception, confining it to sovereign countries.

"Co-operation between the private sectors in East Asia is a vital part of this effort," he added.

Anwar said based on the World Bank's forecast, the developed countries' share of world output would decline to less than two-fifths with a commensurate rise in the share of the developing nations by the year 2020.

"This means that by then, seven of the top 15 economies in the world will be from East Asia," he added.

"However, the so-called East Asian miracle owes a lot to borrowed technology and invention.

"While we can be proud of our manufacturing sector, it remains sadly true that in most cases we did not originate the creative ideas or even know how to improve them," he said.

Malaysian Minister Urges More Investment in ASEAN

BK1103143496 Kuala Lumpur NEW STRAITS TIMES
in English 9 Mar 96 p 26

[BERNAMA Report]

[FBIS Transcribed Text] ASEAN investors should invest within the region especially in the growth triangles, as the grouping is poised to become a major market to investors, International Trade and Industry Minister Datuk Sri Rafidah Aziz said in Padang, West Sumatra, yesterday.

She said according to the World Investment Report 1995, ASEAN has an investment capability of US\$2.6 billion (RM [Malaysian ringgit] 6.5 billion) annually.

"If a substantial portion of this fund is invested in the growth triangle, the results could be encouraging," she said at the opening of the one-day Indonesia-Malaysia-Singapore Growth Triangle (IMS-GT) meeting.

She led a 75-member delegation comprising members of the private sector, Johor Menteri Besar [chief minister] Ghani Othman and State officials from Johor, Melaka, Negri Sembilan and Pahang to the meeting.

Rafidah said that in order to encourage ASEAN investors to invest in ASEAN, the investment climate in the region must be made more conducive and favourable than other competing regions.

"With member countries stepping up efforts to improve their macro-economics environment and with the realisation of the vision of Cambodia, Laos and Myanmar [Burma] becoming a member of ASEAN by 2000, ASEAN is poised to become a major market to investors."

She added that entrepreneurs, both foreign and local investing in the growth triangle, should not merely look at the growing ASEAN market, but also gear themselves towards servicing the ASEAN and the world markets from ASEAN investments.

On ASEAN's investments in Malaysia, she said Indonesian investments in Malaysia were mainly in the form of joint ventures and portfolio investments.

For 1990-1995, 39 industrial projects were approved involving a capital investment of RM3,139.4 million of which 12 projects were located in Johor, involving a total investment of RM64.3 million.

Singapore's total capital investment in Malaysia in the same period amounted to RM5,046.1 million involving 989 manufacturing projects, of which 560 projects went to Johor with total investments of RM2,611.5 million.

Growth Triangle Meeting Ends With Signing of 13 Accords

BK1103114496 Singapore THE STRAITS TIMES
in English 8 Mar 96 p 3

[Report By Paul Jacob]

[FBIS Transcribed Text] Bukittinggi (West Sumatera) — The broad resource base and market-size of the southern growth triangle is not an automatic guarantee that participating countries will continue to reap economic benefits as new markets elsewhere pose a serious challenge, senior economic ministers noted yesterday.

In remarks at a meeting here on the Indonesia, Malaysia, Singapore growth triangle, the ministers agreed that concerted efforts must be made to ensure that the region remained attractive.

This included promoting the sub-regional grouping actively to "non-ASEAN" investors and a study, possibly with assistance from the Asian Development Bank, into the infrastructural needs of the southern triangle.

Inadequate infrastructure — roads, telecommunications power generation and those to support greater air and sea links — have been of primary concern to the private sector which felt that these, along with administrative red tape and bottlenecks, impeded cooperation and development within the region.

Such concerns were recognised by the ministers — Indonesian Coordinating Minister for Production and Distribution Hartarto, Singapore's Deputy Prime Minister Lee Hsien Loong and Malaysian International Trade and Industries Minister Rafidah Aziz — at their one-day meeting.

But they also considered developments further afield such as the opening up, reforms and competition for investments from China, India and Indochina, which could affect the success of ventures in the southern triangle.

As B.G. [Brigadier General] (NS) [national service] Lee pointed out, the inclusion of West Sumatera, Melaka, Negri Sembilan and Pahang in the triangle — while enlarging the area's market to 15 million and offering investors more options — was not a guarantee of continued success.

"The reality of global economic cooperation, and competition is that investments will relentlessly flow to the most attractive locations.

"As the Asia-Pacific liberalises and economic giants like China, India and Indochina plug into the global trading regime, competition for investments must intensify."

He said China's special economic zones and Vietnam's export processing zones had attracted much attention. The southern triangle could only command "a fraction of our larger neighbour's resources" and did not offer as large a domestic market.

"Therefore, to maintain our competitive edge and attractiveness, the Indonesia-Malaysia-Singapore growth triangle has to look beyond increasing intra-Triangle investments and to woo international investments" he said, in comments endorsed by his counterparts.

"We must work harder to sustain the Indonesia-Malaysia-Singapore growth triangle's reputation as a one-stop destination for trade and investment. We must build on our competitiveness on the basis of an investment-friendly business environment and committed support from all three governments."

His remarks that the triangle's framework must be kept streamlined and flexible and that assisting the private sector realise their projects was important, were echoed by Mr. Hartarto, who told reporters later that Indonesia in particular was committed to cutting red-tape and removing other impediments.

Like B.G. Lee, Datuk Sri Rafidah pointed to strong intra-Triangle investments as an indication that companies and governments recognised the value of cooperation which transcends national boundaries.

The ministerial meeting yesterday witnessed the signing of 13 memoranda of understanding and two joint venture agreements, plus the formal establishment of a joint business council and working groups to ensure that close cooperation would be sustained.

B.G. Lee, who arrived here on Wednesday evening, left for Singapore after the meeting with Datuk Sri Rafidah who was enroute to Malaysia.

Report Details Accords Signed at Growth Triangle Meeting

BK1103143296 Kuala Lumpur NEW STRAITS TIMES in English 9 Mar 96 p 26

[BERNAMA Report]

[FBIS Transcribed Text] Padang (West Sumatra) — Sixteen memoranda of understanding (MoUs) and agreements were signed at the ministerial meeting of the IMS-GT [Indonesia-Malaysia-Singapore Growth Triangle] yesterday.

Out of the total, 13 were signed between the private sectors of Malaysia and Indonesia, one between Malaysia and Singapore, and one between Singapore and Indonesia.

Another MoU was on the formation of a joint business council between the IMS-GT member countries.

Three joint-venture and management agreements were concluded yesterday. EPA [expansion unknown] Management Sdn Bhd [private limited], a wholly-owned subsidiary of Johor Corporation Bhd and PT [company limited] Bintara Tani Nusantara signed a joint-venture and management agreement for the development of an oil palm plantation at Air Bangis, West Sumatera. The RM [Malaysian ringgit] 65-million project will start in April.

The third agreement was signed between EPA Management Bhd, PT Gonjong Limo Crops and Chairul Taruma Putra for the development of a RM23 million oil palm project, covering 3,000 hectares at Ujong Gading, West Sumatera, which will start this year.

Other MoUs signed were between PT Andalas Tuah Sakato and Johor Corp in the cement industry and PT Sarana Pembangunan Riau and JSEDC [expansion unknown] Technopark Sdn Bhd for the development of the Dumai Industrial Park.

Universitas Andalas Sumatera Barat and Universiti Teknologi Malaysia; Kadin [Indonesian Chamber of Commerce and Industry] Sumatera Barat and Bestari Johor Bhd; Koperasi Permodalan Melayu [Malay Capital Cooperatives] Negeri Johor and PT Citra Meara Riau Serumpun signed MoUs on human resources and development.

The regional office of the Department of Manpower of West Sumatera and Johor Corp also signed an MoU for co-operation on human resource development. Koperasi Karyawan Minyak Caltex (KKMC) and Bocard Oil and Gas Sdn Bhd and Sri Intan Enterprise Sdn Bhd signed an MoU for co-operation in the industrial sector.

An MoU on tourism and hotel was signed between PT Femina Holiday Tours and Travel and Raden Basiron Said and Associates.

Kadin Kab [district] Kampar Riau (KUD [village cooperatives] Bumi Asih) and Moccis Johor signed an MoU on agriculture while Puncak Niaga Sdn Bhd and PT Bina Citra Nusantara Corp signed an MoU for a water treatment project.

Kelana Megah Sdn Bhd, a Sriwani Holdings Bhd subsidiary, signed an MoU with Singapore's Auto Batam Ferries and Tours on ferry service while the Singapore Minangkabau Association signed an MoU with Kadin Sumatera Barat for co-operation in industry and service.

Japan

Japan: Official Shows 'Understanding' of U.S. Carrier's Move

OW1203114996 Tokyo YOMIURI SHIMBUN
in Japanese 12 Mar 96 Morning Edition p 2

[FBIS Translated Text] Sadayuki Hayashi, administrative vice minister of foreign affairs, showed an understanding of the report that the U.S. aircraft carrier Independence is moving toward waters near Taiwan in response to China's escalating military exercises in the Taiwan Strait. He stated: "The United States for its part has a great interest in peace and stability in this region. I think the moves by the Independence reflect this U.S. view." He made the remarks at an evening news conference on 11 March.

Japan: Minister on Stance Against Microchip Pact Renewal

OW1203030596 Tokyo KYODO in English
0232 GMT 12 Mar 96

[FBIS Transcribed Text] Tokyo, March 12 KYODO — Japan repeated its stance against renewal of the Japan-U.S. semiconductor accord at a meeting of Japanese, U.S. and European Union trade officials, Trade Minister Shumpei Tsukahara said Tuesday [12 March].

"There's no way we can change our stance on the agreement," International Trade and Industry Minister Tsukahara said at a news conference.

The trade officials held trilateral working-level talks in Brussels on Monday to discuss prospects of global semiconductor demand, market access and other microchip-related matters.

The United States urged renewing the pact, which is to expire at the end of July, while appreciating the fact that foreign semiconductors have achieved a share of more than 20 percent of the Japanese market, a goal set in the accord, Japanese Government sources in Brussels said.

Japan called for letting the accord expire in July because it has served its purpose.

EU officials are reported to have called for scrapping the Japan-U.S. semiconductor pact, arguing that the accord has restricted European access to the Japanese microchip market.

Japan: EU Demands Scrapping of Japan-U.S. Microchip Accord

OW1203031296 Tokyo KYODO in English
0057 GMT 12 Mar 96

[FBIS Transcribed Text] Brussels, March 11 KYODO — The European Union (EU) joined Japan on Monday

[12 March] in demanding that the 1986 Japan-U.S. agreement on semiconductor market access be scrapped, Japanese Government sources said.

The demand was expressed in a tripartite meeting here of trade negotiators from Japan, the EU and the United States. The get-together was held at the request of the EU.

The U.S. has been requesting that the accord, extended once in 1991, be renewed again beyond its July 31 deadline to preserve the U.S. share in the Japanese semiconductor market. Washington credits the deal with helping U.S. microchip makers secure the current market share of more than 20 percent.

Japan has long pressed for the abolition of the accord, saying the deal has already accomplished its purpose of giving a combined market share of more than 20 percent to foreign makers of semiconductors.

During the Brussels meeting, EU negotiators noted that European makers of microchips have a Japanese market share of less than 1 percent, while the EU makers have a 6 percent share in the U.S. and a 9 percent share in non-Japanese Asian markets.

The EU negotiators blamed the Japan-U.S. chip accord for frustrating efforts by European makers to garner a greater share in Japan, the Japanese sources said.

Negotiators from the U.S. and Japan put up a joint front concerning one issue — their shared demand that the EU drop its 9 percent tariff on foreign-made semiconductors in view of the fact that the two countries do not impose any microchip tariffs, they said.

The next round of talks on the semiconductor issue will be held in Tokyo in May or shortly thereafter, the sources said.

Japan: Tokyo Calls on Washington To Hold Aviation Talks

OW1203103496 Tokyo KYODO in English
1014 GMT 12 Mar 96

[FBIS Transcribed Text] Tokyo, March 12 KYODO — Japan has called on the United States to hold working-level aviation talks, as two U.S. airlines' operations via Japan violate the bilateral aviation agreement, officials of the Japanese Transport Ministry said Tuesday [12 March].

The ministry filed the request to the U.S. Department of Transportation.

It noted that more than 70 percent of the passengers aboard flights between the U.S. and Seoul and between the U.S. and Bangkok by United Airlines and between

the U.S. and Seoul by Northwest Airlines, all through Narita Airport, are headed for U.S. or Asian cities as their final destinations, the officials said.

The bilateral aviation agreement requires that the ratio be less than 50 percent, because "beyond-right" flights are subordinated to those between U.S. and Japanese cities, the officials said.

The complaint by the ministry reflects the fact that American airlines have capitalized on their beyond-rights via Japan to offer flights to Asian cities at fares lower than those charged by Japanese carriers, the officials said.

The ministry last October permitted United Airlines to increase flights between Narita and Seoul on condition that the ratio of beyond-right services be held to less than 50 percent. At that time, the U.S. Government turned down the ministry's demand for talks on beyond-right operations.

Japan: Article Assesses Auto Talks Accord Implementation

OW1103014996 Tokyo SHUKAN DAIYAMONDO in Japanese 9 Mar 96 p 16

[Unattributed article from the "Business Inside" column]

[FBIS Translated Text] By the end of June 1995, the U.S.-Japan automobile negotiations reached a point where the United States was about to exercise sanctions, but they were concluded at the last moment. And a followup verification meeting between the United States and Japan will be held on 15 March, the first such meeting since the agreement was concluded.

In other words, the purpose is to verify whether or not the agreement has in fact been faithfully followed. In the meeting, it is said that the U.S. side plans to express its concern that the opening of dealerships in the Japanese market has not been going forward as expected. But this is strange since this concern is exactly opposite from the actual situation.

In the U.S.-Japan auto negotiations, an agreement was made to establish windows [channels to Japanese automakers]. These windows were set up, so that Japanese auto makers and the Ministry of International Trade and Industry (MITI) could respond to complaints and carry out consultations when U.S. makers of export autos developed dealerships in Japan. Following that agreement, each Japanese automaker set up a window last October, but these have hardly been utilized.

So far, one inquiry was made from a European automaker to the Toyota Motor Corporation; there was one visit from a U.S. automaker to Nissan Motor Co.

Ltd.; one phone call came requesting an appointment at Mitsubishi Motor Corporation, which was canceled and no follow up was made; and one phone call of inquiry took place to Fuji Heavy Industries Ltd. That was all: a total of only four inquiries were made utilizing the 11 auto makers windows. There was only one case in which a U.S. automaker actually used a window.

Considering such results, one can not claim that the windows are functioning according to the agreement, and the development of dealerships is not going forward [through these negotiated channels]. But the U.S. automakers are making progress through different channels.

For instance, since before the talks, Ford Motors has been in constant contact with Nissan Motors and with the Mazda Motor Corporation, with which it has a relationship of capital cooperation. And also since the agreement, it has opened 10 show rooms in Mazda group dealerships.

Chrysler also has increased 15 dealerships since the agreement through measures such as its tieup with Daihatsu Motor Co., Ltd. of Niigata, this is without utilizing the consultation window. GM too has been in contact with its "keiretsu" dealers in Japan to develop dealerships to handle the Saturn which will go on the Japanese market in 1997.

The U.S. Government, after the agreement was concluded last year unilaterally announced an increased number of dealerships which, within a set time limit, would handle U.S. autos. The establishment of the windows was demanded, one would say, as collateral. But for the Big Three, such windows are hardly necessary for normal activities. But the status of window utilization and the reality of the development of dealerships clearly indicates that fact.

Ultimately, what becomes apparent in the verification meeting will be that "what the U.S. Government thinks is different from what the Big Three think" (according to a leader in a major Japanese [auto] firm).

The U.S.-Japan auto negotiations, to begin with, were intended for the purpose of capturing voters in the Midwest, where the basis of many livelihoods relies on the auto industry. That the consultation windows have turned out to be nothing more than a formality [it has no real substance] illustrates precisely the fact that the agreement was very politically colored.

Japan: U.S. Agrees To Return Senaha, Other Facilities

OW1203063396 Tokyo ASAHI SHIMBUN
in Japanese 12 Mar 96 Morning Edition

[Received via Internet]

[FBIS Translated Text] As of 11 March, it has been disclosed that in connection with the realignment and reduction of the U.S. military bases located in Okinawa Prefecture, the Japanese Government has made a proposal to the U.S. Government for the return of 17 bases and facilities, including the Northern Training Area, the largest base on Okinawa; and that the U.S. side has agreed to the return of several bases, including the Navy's Sobe Communications Site (in Yomitan village). At the same time, since the U.S. side had made its own proposal for returning various bases, including the Navy's Camp Shield (in Okinawa city), there will eventually be a total of over 20 bases and facilities whose return will be considered. However, it is still necessary to promote further coordination on these proposals, because a condition has been set that in returning many of these bases or sites, their functions must be shifted to other bases or sites on Okinawa. Now, the focal point at issue will be whether local governments where the functions will be moved to will agree to the plan. However, the Okinawa Prefectural Government [OPG] has indicated its intention to reject their relocation within Okinawa.

The Japanese and U.S. Governments have so far held four working-level sessions of the Japan-U.S. Special Action Committee (SACO), which is composed of officials from the Foreign Ministry and the Defense Agency, to study the possibility of realigning or reducing each of the 38 individual bases or facilities on Okinawa.

The Japanese side has proposed the complete return of the 13 bases or facilities, including the Navy's Awase Communications Site (in Okinawa city), and the Marine Corps' Henoko Ammunition Storage Area (in Nago city) on the condition that the former will be shifted to White Beach, the port where U.S. vessels make calls, and the latter will be consolidated with the Kadena Ammunition Storage Area. In addition, a proposal has been made for the partial return of four bases, including the Marine Corps' Camp Kuwae (in Chatan township).

About half of the bases and facilities cited in these proposals are included in the "23 cases," on which an accord was reached at the Joint Japan-U.S. Committee session in 1990, or in the "three pending cases," that include the return of the Naha Port Facilities.

According to those concerned, the U.S. side has reportedly agreed in principle that, in addition to the Sobe Communications Site, the Air Force's Senaha Communications Site (in Yomitan village) will be returned completely, and the Kadena Ammunition Storage Area will be returned partially.

However, it is reported that further coordination still has to be promoted on the question as to where these bases or facilities should be relocated. Moreover, the Japanese side has reportedly indicated difficulty in that the "costs for moving" two or three of these bases or facilities are "too expensive." As for other bases or facilities, the U.S. side has indicated that "plans are still under study." In this connection, plans will be disclosed at the next working-level session and thereafter.

And with regard to the Marine Corps Air Station Futenma, the return of which the OPG has strongly demanded, the Japanese side did not request its immediate return, but made a proposal for its complete return with the precondition that "it should be taken as a future task." As a tentative measure, a plan has surfaced that only such units as the transport unit using fixed-wing aircraft will be moved to other bases, such as the Iwakuni Base (in Yamaguchi prefecture), while retaining the main-force helicopter units. Although the U.S. side has set the condition that "aircraft hangers should also be relocated," further coordination will be promoted as the plan still remains in a state of flux. Moreover, the U.S. side has not changed its stance that a complete return will be "difficult, even in the future."

Both the Japanese and U.S. Governments want to work out a concrete program for realigning and reducing military bases by mid-April when the Japan-U.S. summit talks will be held.

Japan: Hashimoto's Signing of Land Lease Expected

OW1203095196 Tokyo NIHON KEIZAI SHIMBUN
in Japanese 12 Mar 96 Morning Edition p 2

[FBIS Translated Text] Regarding a lawsuit over the proxy signing of land-lease documents needed for compulsory use of land at Sobe Communications Site (in Yomitan) in Okinawa, Judge Ichiro Otsuka of the Naha branch of the Fukuoka High Court said during the fourth hearing on 11 March that the court will hand down a decision on 25 March. Because of this, it seems that Prime Minister Ryutaro Hashimoto will take necessary procedures for the proxy signing on as early as 29 March.

Governor Ota has to sign the documents in three days after 26 March should the court order him to do so

behalf of landowners. However, since the governor will certainly refuse to sign the documents, the prime minister will do it himself and apply for a court ruling on compulsory use of the base land. At the same time, he will also make a plea for an emergency use of the land during the period between announcement of a verdict and a day the central government obtains the right to use the land.

Japan: Government Makes Proposal on U.S. Base Cut

OW1203072896 Tokyo MAINICHI SHIMBUN
in Japanese 11 Mar 96 Morning Edition p 3

[FBIS Translated Text] Regarding the issue of reorganization, consolidation, and reduction of U.S. military bases on Okinawa, it was disclosed on 10 March that the government is sounding out the United States on a proposal designed to reduce the amount of land used as military bases by building high rises at Camp Zukeran (located at the border between Chatan, Ginowan, and other cities), which is a pivotal base of the U.S. Marine Corps (USMC) in Okinawa; Camp Kuwae (in Chatan); and other places where the USMC headquarters and living quarters for soldiers and families are main facilities. Except for the Futenma Air Station (FAS), which is a focal point of negotiations between Japan and the United States, this is the first disclosure of the proposal for reduction of the major military bases that function as headquarters. The government aims to seek concrete progress for settlement of the Okinawan issue by reorganizing and reducing as much as possible the military bases in central Okinawa, where many residential areas are located and people strongly call for return of the base land. However, the United States still has not responded clearly to the proposal. Also, it is apprehended that Okinawa Prefecture may express its opposition to the proposal, saying: "The proposal is linked to allowing the bases to take root in Okinawa." Therefore, future of negotiations between the two countries is uncertain.

A distinctive feature of this proposal is that unlike the case of the FAS, which is a training base, it does not require new places needed for relocation of the military bases while allowing the United States to maintain the current size of the military force. Camp Zukeran uses 648 hectares of land, which is 1.3 times as big as the FAS (481 hectares). In addition to the First Marine Aviation Group Headquarters, there are barracks, which can accommodate about 4,500 people, some 1,800 houses for families, and other facilities there. Camp Kuwae has "Okinawa Naval Hospital" and houses for about 150 families. Most of buildings on both bases are not high rise.

After reaching an agreement on fundamental views at Japan-U.S. talks, the government will actually start its study to see how much base land it can reduce. But, some people think that at least tens of billion yen is needed to build new houses and it is certain that the government has to face the issue of financial burden in the future.

Bureau chief-class officials of the Ministry of Foreign Affairs (MOFA), the Defense Agency (DA), the Department of Defense are discussing the Okinawan issue at the Japan-U.S. Special Action Committee (SACO) by setting a target to settle it by the time President Clinton comes to Japan on 16 April. Of 38 facilities on the U.S. military bases in Okinawa, 20 major facilities have been taken up for discussions at SACO working group meetings, which have been held four times so far. The process of discussing functions of these facilities, their actual operation, and other matters has been completed, (according to a senior MOFA official). Following Japan-U.S. summit talks scheduled to be held around 21 March between DA Director General Hideo Usui and Secretary Defense Perry, the SACO will enter into concrete and final discussions.

Japan: Official Says Return of MCAS Futenma 'Difficult'

OW1203100696 Tokyo MAINICHI SHIMBUN
in Japanese 3 Mar 96 Morning Edition p 3

[FBIS Translated Text] Hitoshi Tanaka, councillor of the Ministry of Foreign Affairs' North American Affairs Bureau, indicated on 11 March that it is difficult to return the U.S. Marine Corps Air Station Futenma, the overall return of which has been demanded by the Okinawa Prefecture. Tanaka said: "In my capacity as an administrative official, I am greatly concerned as to whether Japan's safety is secured without the Futenma base." He made the remarks in a speech at the Japan press center in Tokyo.

Japan: Meaning of Business Conference With U.S. Questioned

OW1203075696 Tokyo SHUKAN DAIYAMONDO
in Japanese 16 Mar 96 p 17

[FBIS Translated Text] Is there any meaning in holding such an international conference that is so fruitless?

The joint management committee of the Japan-U.S. Business Conference (JUBC) held its sessions in San Francisco on 25 and 26 February. However, what is noteworthy is the closed nature of the conference and disinterest indicated by the U.S. press.

First, what was open to the public during the session was the first greeting remarks, and the speech given

by Shapiro [name as transliterated], envoy in charge of Japan affairs at the USTR (Office of the U.S. Trade Representative). As for the full-scale discussions, reporters were shut out and lectures were later given by representatives. Thus, the conference indicated its closed nature unsurpassed by that of governmental conferences. Apart from serious consultations or negotiations held between governments, why is it necessary to turn a free discussion among representatives from the private sector into a closed meeting?

According to those concerned on the Japanese side, it was the intention of Fights [name as transliterated], representative of the U.S. side and president of the U.S. Caterpillar Tractor Co. and at first, the U.S. side even requested a complete shutout but due to the Japanese side's opposition, a compromise was then reached on opening the conference partially to the public.

As for those who attended the meeting, major participants from the Japanese side included top leaders of the four major economic organizations, including Shoichiro Toyoda, president of Keidanren [Federation of Economic Organizations of Japan]; Jiro Nemoto, chairman of Nikkeiren [Japan Federation of Employers' Associations]; and Kosaku Inaba, governor of the Japan Chamber of Commerce and Industry. On the other hand, the participants from the U.S. side included only top executives of General Motors and Texas Instruments. Reportedly, the Japanese side made a proposal for increasing the number of participants but President Fights rejected the proposal, merely saying that "there is no such need."

In other words, it was Japan that indicated its enthusiasm about disclosure while the U.S. side insisted on holding meetings with a reduced number of participants and with meetings closed to the public. Moreover, since the decision was made merely because of President Fights' character, it certainly was just foolish. And from the U.S. press, only a female AP reporter was present at the meeting to collect information. In this connection, the Japanese side's enthusiasm proved to be in vain. Thus, the significance of the existence of the JUBC, which has been frequently criticized as "a social salon," has become all the more questionable.

Japan: Editorial Links Rape Verdict, Tokyo's Regard for Okinawa

OW1203005396 Tokyo ASAHI SHIMBUN
in Japanese 8 Mar 96 Morning Edition p 5

[Editorial: "Do not Take 'Okinawa' for Granted"]

[FBIS Translated Text] Okinawan people are saying the Naha District Court sentences handed down against three U.S. servicemen found guilty of raping an Okinawan schoolgirl were too light. Perhaps, the question

of leniency or severity of the sentence alone is not the real issue here.

The rape case triggered movements calling for reconsideration of the Japan-U.S. security arrangements. In the intervening six months, however, there has as yet been no prospect of considerable change in the makeup of the U.S. military presence in Okinawa, which accounts for 75 percent of all U.S. military facilities in Japan.

Dissatisfaction at the sentence on the part of the Okinawan people probably stems in part from their dissatisfaction with the military base situation, which remains unchanged.

The sentences were given to three U.S. soldiers who beat, abducted, and raped a 12-year-old schoolgirl on her way home from shopping. The court ruling noted that the crime was "vicious, and the fear it caused in the local community is enormous."

Evaluating the severity of the penalty is not easy. But it is not surprising that Okinawans regarded the terms — seven years for two of the men and six and one-half years for the other — as too lenient. They likely identified with the victim and the indignity she suffered by the rape.

When the crime came to light, Okinawan Governor Masahide Ota said he thought "here we go again." In the 23 years since Okinawa's administrative reversion to Japan, about 5,000 crimes have been attributed to those under the jurisdiction of the Japan-U.S. Status of Forces Agreement, including 110 rape cases. But the number indicated in the official report is probably just the visible tip of the iceberg.

Of the many indignities Okinawan people have experienced by the presence of U.S. military bases, crimes by servicemen are the most visible. Rape cases, in particular, tramples on the dignity and rights of the victims and leaves deep scars in their minds.

Okinawa was robbed of its land — literally at the point of the bayonet and the bulldozer by the hands of U.S. soldiers — and the island inhabitants were forced to make sacrifices in various forms. The Japanese central government has ignored all this and the people of the rest of Japan have hardly paid any attention to it either. When the rape case was reported to the police by the girl and her parents, many Okinawans must have come to the conclusion that no improvement would be made on such situation as long as they swallow their anger.

The rape case has cauterized demands of Okinawan people for "streamlining and reducing U.S. military bases." That led Ota to refuse to be part of the legal

process to force extension of leases for land used for U.S. military installations.

But how much of the wish of Okinawan people has been understood by the central government and the people in the rest of Japan? Frankly speaking, their understanding about Okinawan issues does not seem to have advanced much.

That was seen in the reaction by Prime Minister Ryutaro Hashimoto, who, when asked to comment on the sentence, said: "The sentence may be a bit harsh. But considering the age of the victim, I have mixed feelings." At that time, he made no mention of the military base issue.

The people in Okinawa uneasily await another judicial milestone involving their governor's refusal to take the necessary steps for continuation of forced land lease. Ota is expected to appear in court on 11 March to testify about the military base concentration in Okinawa as a violation of the human rights of Okinawan people. There are strong indications, however, that the Naha branch of the Fukuoka High Court will hasten the proceedings, in keeping with the wishes of the central government.

When Okinawans complain that the rape sentences were "too lenient," they are, in effect, saying: "Do not take Okinawa for granted." Both Hashimoto and the judges who will consider the governor's legal dispute with the central government should consider the weight of that message.

At a rally in Okinawa last fall, Sugako Nakamura, a high school senior, said: "If we give it up, there will be another tragedy. I do not like the idea of continuing to live with the menace of U.S. soldiers, and I do not want future generations to have the same feelings we have now."

Japan: Editorial Notes Rape Verdict, 'Tough' Road Ahead in Ties

*OW1203013896 Tokyo MAINICHI SHIMBUN
in Japanese 8 Mar 96 Morning Edition p 5*

[Editorial: "Japanese and U.S. Governments Should Take Court Decision Seriously"]

[FBIS Translated Text] Three U.S. servicemen received prison sentences of seven years to six and half years from the Naha district court for the abduction and rape of an Okinawan schoolgirl. (Prosecutors had demanded 10-year prison terms for the three).

Presiding Judge Shinei Nagamine said: "The rape was especially cruel in comparison to incidents in the past, and it spread fear throughout the community." He noted that nothing could extenuate such cruelty. His decision

was right and proper, given the fact that the three had made preparations for the rape beforehand, such as acquiring adhesive tape to tie up the victim, and that they committed the crime thinking that it would not involve any risk because Japanese women would not use a knife or gun to resist.

Many Okinawan residents are dissatisfied with the sentences, calling them "too light." Being surrounded by U.S. bases and forced to live a situation in which crimes by U.S. servicemen constantly occur, Okinawans still entertain ill feelings of the incident.

The rape provoked calls for the realignment and reduction of U.S. bases on Okinawa and the revision of the Japan-U.S. Status of Forces Agreement (SOFA). Also, Okinawa Governor Masahide Ota refused the "proxy signing" of documents needed to extend leases for U.S. bases. As such, the rape case developed into an issue that might undermine the foundation of the Japan-U.S. security system. Not only the U.S. forces in Japan but also the Japanese and U.S. Governments should take the ruling seriously and implement strict measures to prevent the recurrence of such tragedy. They also should make strenuous efforts for the consolidation and curtailment of U.S. bases and the revision of SOFA.

Prime Minister Ryutaro Hashimoto told President Bill Clinton in their talks on 23 February that he wanted to see as much progress as possible made in the proposed relocation of Marine Corps Air Station Futenma before Clinton's scheduled visit to Japan in April.

After noting "Americans' deep regret" over the rape, the President indicated that the United States would flexibly deal with the base reduction issue while taking into account security needs.

This was all very well, but the road ahead will be rough. The two governments have continued talks on the reduction of U.S. bases on Okinawa at the joint Special Action Committee (SACO). Tokyo should bear in mind that failure to achieve tangible results could further erode public trust in the bilateral security arrangement and make it impossible for the two governments to "redefine" the security treaty.

Japan and the United States agreed to amend SOFA's criminal jurisdiction procedures last November, after the rape incident. The amendment allows handing over to Japanese authorities of U.S. military personnel accused of committing murder, rape, and other serious crimes in Japan "even before they are formally indicted." Previously, suspected criminals were turned over after indictment. However, Okinawa and other prefectures hosting U.S. bases are claiming that the revision is insufficient.

Okinawa has submitted to the government a 10-point request for the revision of SOFA, including full disclosure of accords reached at the Japan-U.S. Joint Committee established under Article 25 of SOFA. Although the joint committee conducts a wide range of discussions on U.S. bases, it has not disclosed most of what it discussed. Okinawa asserts that it is inappropriate to keep the contents of discussions classified because what the committee discusses has to do with the lives of people residing near military bases. This claim is quite reasonable.

Stressing that SOFA was signed during the Cold War, Okinawa and other prefectures hosting U.S. bases claim that now that the Cold War has ended, the pact should be drastically revised to suit the changing times. The Japanese and U.S. Governments should listen to these sentiments.

Japan: Estonian Minister Meets Ikeda, Visits Central Bank

LD1103154196 Tallinn Radio Tallinn Network
in Estonian 1300 GMT 11 Mar 96

[FBIS Translated Text] Estonian Foreign Minister Siim Kallas met Japanese Foreign Minister Yukihiko Ikeda today. They discussed Estonian-Japanese relations and opportunities for cooperation in international organizations. The foreign ministers spoke about the situation in Europe and Asia and discussed the relations of both states with their neighbours.

Siim Kallas announced about Estonia's desire to conclude a double-taxation prevention agreement with Japan and agreements on culture, education, science, and sport.

Kallas today also visited the Tokyo Stock Exchange, the Industrial Bank of Japan [Limited], and the Bank of Japan, where he also met the leaders of these institutions. At the stock exchange Kallas was briefed about its procedures and activities. In the Industrial Bank of Japan, Kallas gave an overview of Estonia's economic reforms and investment opportunities in Estonia.

In the Bank of Japan, the central bank, Kallas [formerly the president of the Bank of Estonia] spoke about the Estonian monetary system and the role of the Bank of Estonia in it.

Japan: Estonia Thanks Tokyo for Economic Cooperation

OW1103140496 Tokyo KYODO in English
1351 GMT 11 Mar 96

[FBIS Transcribed Text] Tokyo, March 11 KYODO — Estonian Foreign Minister Siim Kallas expressed

appreciation Monday [11 March] for Japan's economic cooperation with his Baltic country.

Kallas, who arrived Sunday for a weeklong stay, made the remark in a meeting with his Japanese counterpart Yukihiko Ikeda, a Foreign Ministry official told reporters.

Japan has pledged 50 million dollars to Estonia, part of which has already been disbursed in a loan through the Export-Import Bank of Japan, the official said.

Kallas is the first Estonian cabinet minister to visit Japan since the restoration of its independence from the former Soviet Union in September 1991, together with Latvia and Lithuania.

He also told Ikeda that Estonia wishes to join the 15-member European Union in the future, according to the official.

During his stay, Kallas is to confer with Japan's business leaders to explore the possibility of enhancing economic exchanges between the two countries.

Japan: Estonia's Kallas Voices Hope for Entry Into NATO

OW1203112996 Tokyo KYODO in English
0653 GMT 12 Mar 96

[FBIS Transcribed Text] Tokyo, March 12 KYODO — Estonian Foreign Minister Siim Kallas expressed hope Tuesday [12 March] that his country will be admitted to the North Atlantic Treaty Organization (NATO) in the future.

"The basic situation is that NATO is one efficient framework for peace...We are hoping for cooperation with NATO and we are supporting the idea of NATO enlargement," Kallas told a press luncheon here.

The Estonian foreign minister, who arrived Sunday for a weeklong stay, voiced deep distrust about the Baltic nation's erstwhile ruler Russia and noted his country needs some mechanism by which it can continue to protect its independence.

"Everybody is very afraid about possible developments in Russia...because we are afraid about our independence, about our security, we are looking for some method to guarantee security," Kallas said.

He also reiterated that Estonia wishes to join the 15-member European Union, saying, "one of our main foreign and domestic policy goals is to join the European Union."

Kallas is the first Estonian cabinet minister to visit Japan since the restoration of its independence from the former

Soviet Union in September 1991, together with Latvia and Lithuania.

Kallas, who conferred with his Japanese counterpart Yukihiko Ikeda on Monday, cited as areas of further cooperation between Estonia and Japan the reform of the U.N. Security Council and U.N. peacekeeping efforts.

Japan: Brazilian President Arrives for Visit

OW1203114096 Tokyo KYODO in English
1114 GMT 12 Mar 96

[FBIS Transcribed Text] Tokyo, March 12 KYODO — Brazilian President Fernando Henrique Cardoso arrived in Japan on Tuesday [12 March] night for a four-day visit as a state guest.

It is the third state visit by a Brazilian president to Japan, following those by Ernesto Geisel in September 1976 and Joao Figueiredo in May 1984.

During his stay, Cardoso will have an audience with Emperor Akihito and Empress Michiko on Wednesday, confer with Prime Minister Ryutaro Hashimoto on Thursday and meet the press Friday, Foreign Ministry officials said.

The Brazilian president is also scheduled to meet Japanese business leaders to entice more direct investment to his country.

He will address the House of Councillors — the first speech to be given by a foreign dignitary before the Diet since South Korean President Kim Yong-sam's in March 1994, the officials said.

Cardoso will leave Japan for home Friday evening.

Japan: Automakers Hope Cardoso's Visit Improves Car Trade

OW1103095896 Tokyo KYODO in English
0739 GMT 11 Mar 96

[FBIS Transcribed Text] Tokyo, March 11 KYODO — Japanese automakers hope that Brazilian President Fernando Henrique Cardoso will take measures to ease restrictions on auto imports during his four-day visit to Japan starting Tuesday [12 March], industry officials said Monday.

Cardoso, who took office Jan. 1 this year, is scheduled to hold talks with Japanese Prime Minister Ryutaro Hashimoto on Thursday.

Foreign Ministry sources, however, said Hashimoto will simply express concern over the automobile issue during his meeting with Cardoso.

Japan's automobile exports to Brazil have been virtually suspended since last fall due to strict import regulations, including high tariffs, the industry officials said.

Brazil's auto imports increased more than sixfold to 193,000 vehicles in 1994 from 32,000 in 1992 as the government cut import tariffs step by step from 1991.

The Brazilian Government, however, raised the tariff rate on vehicle imports again to 70 percent from 32 percent in March 1995 to improve the country's balance of payments situation and imposed import restrictions in June.

As a result, the industry officials said Japanese auto exports to Brazil fell sharply to only 707 vehicles in the latter half of calendar 1995 from 31,604 for the previous six-month period.

Japanese auto shipments have been reduced by almost half since October last year, the officials said.

A 60 percent local content requirement for foreign automobiles under an agreement reached by four Latin American nations, which form the Mercosur [Southern Common Market] Regional Economic Grouping, also is a major snag preventing Japanese automakers from entering the Brazilian market, they said.

The Japanese Government blamed the agreement for violating a set of trade-related aspects of investment measures (trim) agreed on at the Uruguay Round of Multilateral Trade Negotiations concluded in late 1993.

The officials said the local content requirement will be a major hurdle that will have to be cleared by Honda Motor Co. which announced a plan last year to manufacture passenger cars in Brazil.

Japan: Ikeda To Represent Tokyo at Terrorism Summit

OW1103052796 Tokyo KYODO in English
0401 GMT 11 Mar 96

[FBIS Transcribed Text] Tokyo, March 11 KYODO — Foreign Minister Yukihiko Ikeda will represent Japan at an emergency summit of world leaders on terrorism to be held Wednesday [13 March] in Egypt, government sources said Monday.

Prime Minister Ryutaro Hashimoto considered attending the meeting of some 30 world leaders but decided to remain in Japan because of a stubborn political standoff over a plan to wind up crippled housing loan companies or "jusen."

Leaders scheduled to attend the summit, to be held at a remote Red Sea resort in Egypt, include U.S. President

Bill Clinton and Palestinian Liberation Organization Chief Yasir 'Arafat.

The leaders are scheduled to discuss countermeasures for the series of terrorist attacks in the Middle East that threaten the peace process there.

Chief Cabinet Secretary Seiroku Kajiyama told reporters Monday that Japan has a "profound interest" in antiterrorist measures because of the activities of the Aum Shinrikyo cult, which is accused of being responsible for last year's sarin nerve gas attack on the Tokyo subway system and other incidents.

Ikeda will leave for Egypt on Tuesday and return Thursday evening.

Japan: Ikeda Leaves for Egypt To Attend Mideast Peace Summit

OW1203022896 Tokyo KYODO in English
0135 GMT 12 Mar 96

[FBIS Transcribed Text] Tokyo, March 12 KYODO — Foreign Minister Yukihiko Ikeda left Japan for Egypt on Tuesday [12 March] morning to attend Wednesday's summit on Middle East peace and regional violence.

The summit to be held at a remote Red Sea resort in Egypt will bring together some 30 world leaders. It will be co-chaired by U.S. President Bill Clinton and Egyptian President Hosni Mubarak.

The participating leaders are scheduled to discuss countermeasures to the series of terrorist attacks in the Middle East that threaten the peace process.

Ikeda will return home Thursday afternoon.

Japan: Nuclear Experts Meet With French Counterparts on Coolant

OW0803153896 Tokyo KYODO in English
1143 GMT 8 Mar 96

[FBIS Transcribed Text] Tokyo, March 8 KYODO — Japanese and French nuclear reactor experts met Friday [8 March] to exchange views on a coolant leak accident at Japan's prototype fast-breeder nuclear reactor Monju last December.

The regularly scheduled meeting, the ninth of its kind, was held under an agreement on nuclear reactor regulation between the Japanese Science and Technology Agency's Nuclear Safety Bureau and its French counterpart.

French participants in the meeting include those responsible for the French prototype fast-breeder reactor Phenix and demonstration fast-breeder reactor Superphenix, the world's largest fast-breeder model.

Monju was shut down Dec. 8 after sodium leaked from the secondary cooling system. Sodium is used as a coolant in fast-breeder reactors, which produce more plutonium than they consume.

Monju began operating last August and was scheduled to eventually generate 280 megawatts of electricity in June this year, becoming the world's second largest fast-breeder reactor after the Superphenix.

Japan: Foreign Minister Scheduled To Visit Russia 20 Mar

OW1203075996 Tokyo MAINICHI SHIMBUN
in Japanese 10 Mar 96 Morning Edition p 3

[FBIS Translated Text] Foreign Minister Yukihiko Ikeda has decided as of 9 March to visit Russia in late March if the Diet approves it. Although the Ministry of Foreign Affairs [MOFA] is now arranging the itinerary, Ikeda's visit is expected to be made around 20 March. However, the schedule may be changed depending on the situation of the current Diet session on FY96 budget. If the visit materializes, this will be the first visit to Russia by a Japanese foreign minister in two years since then Foreign Minister Tsutomu Hata's visit in March 1994.

Ikeda is scheduled to hold the 6th regular foreign ministerial meeting with his Russian counterpart Yevgeniy Primakov, who assumed the post in January. He also intends to hold a meeting of the Japan-Russia governmental committee on trade and economic issues, which was originally scheduled for last fall, but, has been postponed.

At the foreign ministerial meeting, Ikeda intends to reconfirm the "Tokyo Declaration" (issued after the October 1993 Japan-Russia summit meeting), which confirmed the existence of the bilateral territorial issue over the four northern islands, as well as to seek progress in fishing and other issues. He also intends to lay the groundwork for a summit meeting between Prime Minister Ryutaro Hashimoto and President Boris Yeltsin scheduled to coincide with a summit of seven major economic powers plus Russia on nuclear power safety to be held in Moscow in April.

However, with the Russian presidential election set for April, the actual situation is that "it is difficult to hope for major progress in the northern territorial issue," (according to a senior MOFA official). For example, Primakov recently asserted that the Russian government "hopes to entrust a solution to the territorial issue to the next generation." Even if the foreign ministerial meeting materializes, there is a possibility that the meeting will focus on the creation of a personal relationship of trust

between the two foreign ministers, who will meet each other for the first time.

It was agreed at the 1994 Japan-Russia summit meeting that a bilateral foreign ministerial meeting would "be held at least twice every year." For this reason, the Japanese Government has viewed the foreign minister's visit to Russia as one of its pending issues.

Tokyo May Ask Moscow To Cut Fishery Cooperation Fee

OW1203054696 Tokyo KYODO in English
0419 GMT 12 Mar 96

[FBIS Transcribed Text] Tokyo, March 12 KYODO — Japan will urge Russia to accept its proposal to slash the "fishery cooperation fee" it pays annually to Russia for recognizing Japanese fishing boats' rights to haul salmon in the northern Pacific, Japanese officials said Tuesday [12 March].

Japan will press the demand in a series of meetings between Japanese and Russian fisheries officials which got under way on Tuesday at the Foreign Ministry, they said.

Japan will cite decreases in domestic salmon prices as the reason for the need to bring down the cooperation fee's level, they said.

Japan paid a total of 759 million yen in such fees to Russia in 1995.

The two sides will negotiate the terms of fishing operations to be conducted within Japan's 200-nautical mile economic waters, they said.

Japan pays the cooperation fee, as it is internationally recognized that anadromous stock like salmon belongs to the country of its breeding river, which is [in] Russia.

Japanese fishing boats hauled a total of 5,123 tons of salmon within Japan's own 200-mile economic waters.

During the negotiations expected to last for about two weeks, Japan plans to have Russia recognize its right to haul almost the same quantity of salmon as Russia does in the same waters, they said.

As for fishing operations within Russia's 200-mile economic waters, a private association of salmon fishermen plans to negotiate with the Russian side in the wake of the conclusion of the government-level talks, they said.

The subsequent talks between Russian officials and the association are expected to be wrapped up by the end of April, they said.

Tokyo 'Greatly Concerned' Over PRC Missile Tests OW1203044896 Tokyo YOMIURI SHIMBUN in Japanese 9 Mar 96 Morning Edition p 3

[FBIS Translated Text] The government is greatly concerned over China's medium range surface-to-surface missiles tests conducted in waters near Taiwan on 8 March. Although the purpose of the test is to hamper Taiwan's presidential election and independence movement, its close proximity to Japanese skies and waters might have provoked an unexpected accident involving Japanese ships and aircraft. The government therefore intends to continue asking China to use self-restraint. However, a problem surfaced during the Chinese exercise, when the government had difficulty detecting high-speed ballistic missiles with its own radar system.

The government confirmed China's missile drill through information provided by the United States.

The Self-Defense Forces (SDF) used "every possible means" (according to Tetsuya Nishimoto, Joint Staff Council Chairman) to collect information through its radar sites in all parts of Japan and its electronic warfare support training aircraft. Despite these efforts, the SDF "failed to detect the launches," (government source).

The SDF radar is said to be able to pick up airplanes but unable to detect ballistic missiles, which are fast, small and capable of striking the target within minutes.

In this context, "Japan has no means to confirm a launch, even if a Chinese missile flies off track and drops into Japanese territorial waters" (said a top Defense Agency official). "What a misery," says a Liberal Democratic Party dietman who has experience in defense.

The United States has in orbit over the equator a stationary satellite that can quickly detect ballistic missile launches. With regard to this Chinese drill, Japan appears to have obtained information the U.S. satellite collected.

The government is researching the Ballistic Missile Defense (BMD) concept with U.S. cooperation and has earmarked 440 million yen for the project in the fiscal 1996 budget. It is also studying a system that relays early warning information on a real-time basis from a U.S. reconnaissance satellite to prepare for the launching of ballistic missiles in Japan's peripheral areas.

President Li said that warheads of some of China's missiles were empty. However, it still poses a great danger because fragments might scatter or the missiles themselves could fly off track.

Prime Minister Ryutaro Hashimoto described a Chinese missile exercise as a situation moving in an "unfortunate

direction." The government will again inform Chinese Foreign Minister Qian Qichen, who is scheduled to visit Japan soon, of its desire for a peaceful settlement of the Taiwan question. Concerned over the fact that China staged a drill in an area where Japanese civilian aircraft and fishing vessels could be involved, the government also is expected to tell Qian that "Japan cannot overlook the Chinese action if it affects our people" (said a senior official of the Ministry of Foreign Affairs).

In his meeting with Chinese Premier Li Peng during the recent summit of the leaders of Asia and Europe, Hashimoto said, "Japan hopes the Taiwan issue will be resolved peacefully." In conducting the drill, China appeared to have ignored Japan's wishes.

If China continues its military exercises and nuclear tests, calls for cuts in Japan's economic aid to that country will certainly emerge from the Japanese public or political circles. To avert such a situation, the government must urge China to exercise self-control.

Japan: Kajiyama Says Tokyo 'Worried' About PRC Exercises

OW1203022396 Tokyo KYODO in English
0143 GMT 12 Mar 96

[FBIS Transcribed Text] Tokyo, March 12 KYODO — Japan has urged China to exercise restraint in its planned military maneuvers near Taiwan and it is worried over the lack of "effective measures" concerning the move, a government spokesman said Tuesday [12 March].

China will conduct the drills on the high seas off Taiwan, where such acts cannot be legally checked, Chief Cabinet Secretary Seiroku Kajiyama said.

Kajiyama also said Tokyo is not in a position to approve or disapprove of U.S. moves to deploy warships near the Taiwan Strait.

Beijing plans to carry out the drills from Tuesday to March 20. Last Friday it commenced missile tests near Taiwan which are scheduled to end Friday this week.

With Taiwan's first direct presidential election set for March 23, China's military moves are seen as a warning against any move toward independence by Taiwan.

Japan: MOFA Spokesman on Taiwan Strait, U.S. Bases Issues

OW1103233996 (Internet) Japanese Ministry of Foreign Affairs WWW in English 8 Mar 96

[News conference by Japanese Ministry of Foreign Affairs acting spokesman Ken Shimanouchi with uniden-

tified reporters on 8 March; place not given; from the "What's New" link; received via Internet]

[FBIS Transcribed Text] [Topics of Discussion] I. Press Conference introduction II. Position of the Japanese Government on missile tests conducted by the People's Republic of China III. Issues surrounding missile tests in the Taiwan Strait conducted by the People's Republic of China IV. Issues regarding United States bases in Japan

I. Press Conference Introduction

Foreign Ministry Spokesman Ken Shimanouchi: Good afternoon, ladies and gentlemen. Immediately after this regular press conference, an official of the Cultural Exchange Department will be giving you a background briefing on Japan's bid to host the World Cup Soccer tournament in the year 2002.

II. Position of the Japanese Government on Missile Tests Conducted by the People's Republic of China

Spokesman: Before I take your questions, I would like to make some brief comments on the missile tests conducted by the People's Republic of China in the waters near Taiwan. According to an announcement made by the Taiwanese authorities this morning, Chinese military forces launched two surface-to-surface missiles early this morning which landed in the two test areas near Taiwan designated earlier by China. We are told that, subsequently, the Taiwanese authorities made an announcement saying that there was a third missile which landed off Kaohsiung. We strongly hope that the Taiwan question is settled peacefully by the parties, and that the parties act on the basis of such an approach. This view was conveyed by Prime Minister Hashimoto to Prime Minister Li Peng of the People's Republic of China in their recent meeting in Bangkok. The heightening of tensions in the Taiwan Strait is not desirable for peace and stability in East Asia. Moreover, one of the testing areas is located near Japanese territory. Therefore, we express our concern over the start of missile tests by China, and once again call on the parties to exercise restraint.

That is the announcement that I wanted to make and I will be delighted to respond to any questions that you might have.

III. Issues Surrounding Missile Tests in the Taiwan Strait Conducted by the People's Republic of China

Q: Because the Americans in the past have made the comment that if the tests go wrong there will be consequences, I would like to know if the tests do go wrong, which side will the Japanese Government take? The United States or China?

A: It is our policy not to respond to hypothetical questions. It is our understanding that the three missiles all landed in the testing areas announced by China. The day before yesterday, Director-General of the Asian Bureau Ryoza Kato of the Ministry of Foreign Affairs made a representation to the acting minister of the Embassy of the People's Republic of China here in Tokyo. In this meeting, Director-General of the Asian Bureau Kato said he did not think that heightening of tensions in the Taiwan Strait was desirable for peace and stability in East Asia, and he called upon China to exercise restraint. He also said that the tests were being conducted near Japanese territorial waters. For example, the testing area off Keelung is only 60 km away from the island of Yonaguni. Since the tests were being conducted close to Japanese territory, Japan was worried that something unexpected could happen. We have air routes between Okinawa and Taipei. Because of the tests, the flights between Okinawa and Taipei are being forced to make a detour. Japanese authorities are now conducting studies on what other effects the tests may have on Japanese interests in terms of fishing and transport. Depending on the results of such studies, we may be making further representations to the Chinese Government.

Q: Do you have any initial conclusions on that study — on the impact on the sea lanes, on air routes, on fishing?

A: The only conclusion that we have reached is that the tests will affect the air routes — the flights by Japanese carriers between Okinawa and Taipei. We are still conducting studies on what other effects the tests may have.

Q: It is reported by Japanese newspapers that, actually, Japanese Self Defense Forces will send a fleet to the Taiwan Strait on the day of 13 March. Can you confirm that information as related to the current tension?

A: I have not heard anything about that.

Q: Since you have mentioned that it is really close to Japanese waters and territory, and the island which is called —

A: Yonaguni.

Q: So, what if something happens, jeopardizing the safety of Japan?

A: I do not want to respond to hypothetical questions. It goes against the policy of the Ministry of Foreign Affairs to do so. But, if the tests have a material effect on Japanese interests, we will deal with the matter appropriately. That is all I can say at this moment.

Q: Prime Minister Hashimoto said this morning that this has taken an unfortunate direction. Would you take that as your own comment as Foreign Ministry spokesman?

A: I read that comment in some media reports, but I do not have a transcript of what he said. But, as I said, we are concerned by what happened this morning.

Q: Clearly, the military alliance between America and Japan now is a big issue. So, if — if America decides to go intervene in this matter, Japan would, in a way, have to do so, having this alliance. Isn't that true?

A: I think I have already told you that we do not answer hypothetical questions. Although there do exist tensions in the Taiwan Strait, there is nothing to suggest that a military clash is imminent there. Therefore, a situation involving an armed clash in the Taiwan Strait, and involving United States intervention, is highly hypothetical. As I have said, it is our policy not to answer hypothetical questions.

Q: Can you tell us what the distance is between the mainland and Taiwan — this gulf? Does it come under a 200 mile economic or whichever zone, or is it more?

A: I would not know. I was never good at geography.

Q: I thought you were.

Q: You don't have any insight exactly into the accuracy of the tests do you? All you know is it landed within their test zone?

A: That is all I know. According to the announcement by the Taiwanese authorities, that is the case.

Q: Right. OK.

A: Of course, the Japanese Defense Agency has reason to believe that the tests were conducted this morning; however, we have not been able to confirm the number of missiles, or the type of missiles, or where exactly the missiles landed.

Q: Is there any contact between the Japanese authorities and the Taiwanese authorities?

A: You know that there are no official ties between Japan and Taiwan. In accordance with the Japan-People's Republic of China Joint Communiqué, our ties with Taiwan are limited to non-governmental ties.

Q: Shinshinto this morning issued a communiqué where they asked China to stop the missile tests. Do you see any grounds to that policy?

A: I am not in a position to make any comments on statements issued by political parties of Japan. The position of the Japanese Government on the missile tests is as I have told you.

IV. Issues Regarding United States Bases in Japan

Q: I was in Okinawa at a meeting of Governor Ota, and he mentioned that he had asked both the Japanese and U.S. Governments to include in the communique by President Clinton and Prime Minister Hashimoto in April, or rather, not to state the number of troops, 47,000, to be stationed in Japan — not to put a number. Is there any sign that this request will be granted, or is there any progress in that specific request?

A: Yes, we do plan to issue a joint document at the time of the visit to Japan by President William Clinton of the United States of America. We are still discussing the contents of this document. It has not been finalized yet, so I cannot comment on the specifics of what the document will say.

Q: Is that request by Governor Ota one of the comments being discussed?

A: Yes, we are aware of the request.

Q: And, there are yet no official statements regarding the reduction or removal of the bases in Okinawa? Nothing is official yet?

A: This process will continue until this autumn. As you know, last November, the two governments set up the Special Action Committee on Facilities and Areas in Okinawa (SACO). The two sides are conducting a comprehensive review concerning the bases in Okinawa. We are still in the process of this review concerning the bases in Okinawa. Yesterday, we had a meeting of the working group of the SACO. In this meeting, there were two agreements in principle: one regarding the signing of an agreement concerning noise abatement — noise emanating from aircraft in Okinawa; and another agreement in principle regarding tags for United States military vehicles which transit the public thoroughfares outside the bases. Also, the question of the realignment, consolidation and down-scaling of bases was discussed. But, we are still in the stage of identifying and sorting out the problems regarding each base in Okinawa. Of course, President Clinton's visit to Japan in April will be a very important part of the process. We hope to make as much progress as possible by then. Thank you very much.

Japan: Editorial Urges PRC To Suspend Missile Exercises

OW1203033896 Tokyo MAINICHI SHIMBUN
in Japanese 9 Mar 96 Morning Edition p 5

[Editorial: "Suspend Missile Exercises To Indicate Sincerity"]

[FBIS Translated Text] As announced, China has started its missile exercises, launching missiles into sea areas close to Keelung in northern Taiwan and to Kaohsiung in southern Taiwan. The first direct presidential election in Taiwan is approaching in two weeks. Under the missiles' deafening roars, voters will not be able to elect their first president by popular vote with cool judgment.

It is reported that the exercises will last till 15 March. However, China should immediately suspend its outrageous act of putting pressure on the election through military exercises and indicate its trust and sincerity to Taiwan's people, who are of the same race.

We feel that it will be necessary to make a cool analysis of China's objectives in launching missile exercises.

No one, experts included, regards the current missile exercises as China's advance notification of an armed attack against Taiwan, because the Chinese forces do not at present have the capability to cross the Taiwan Strait and eventually occupy Taiwan by armed force; and because as a nation, China cannot afford to spend an enormous amount of funds on a nonproductive act — war.

In fact, China has already entered the "post-Deng [Xiaoping] era." It is a well-known fact that Deng Xiaoping wanted to reunify with Taiwan by the end of this century. However, the urgent task for the third-generation leadership under General Secretary Jiang Zemin does not lie in reunification with Taiwan but in building its own country.

The Ninth Five-Year Plan, which will start this year, as well as the objectives of a 15-year long-term plan to last until 2010, are the major topics for discussion at the National People's Congress (NPC) in session in Beijing right now. The objectives are to quadruple the per capita Gross National Product (GNP) of 1980 and double the GNP of 2000 by 2010. To attain these objectives, it will be necessary for China to stabilize both domestic and international environments.

Moreover, the task does not end with promoting economic growth. China has achieved spectacularly high economic growth that has caught the world's attention as a result of the policy of "reform and opening-up" carried out over the past 17 years. However, the implementation of Deng's policy of "making some people and

some areas become prosperous first" has resulted in an extremely big difference in incomes between urban and rural people, between people in coastal and inland areas, and between people of different occupations or companies within the same area. This policy has become the root cause of social unrest, deterioration of public order and peace, and rampant corruption.

At the NPC sessions, the issue of correcting economic imbalances — together with others such as deteriorating public order and peace, inflation, corruption among party and government bureaucrats, chronic financial deficits, stagnation in agriculture, and stalemated reforms at state-run enterprises — has become one of the major topics for discussion among the deputies.

Now, the objectives of a farsighted program are to ease all the domestic contradictions; to establish a basis for the initial stage of a socialist market-oriented economic system by the end of this century; and to achieve the country's basic modernization by the middle of the next century. If a war should break out between China and Taiwan at this time, this program would fall to pieces from its very root.

The objective of missile exercises does not seem to lie in launching an armed attack. On the contrary, the exercises seem to aim at giving advance warning to President Li Teng-hui, whose reelection seems certain, and to prevent him from further pursuing his "practical diplomacy" in a bolder way on the basis of "the foundation of public opinion," as he will be the first president elected by popular vote.

We did point out in the past that if President Li succeeds in pursuing his "practical diplomacy," which aims at Taiwan's readmission to the United Nations and the president's attendance at international conferences, it will be tantamount to recognition of Taiwan's independence by the international community. However, there is a possibility that the independence of Taiwan, which is located in the area of the Han ethnic group, may lead to the collapse of China, a multiracial country composed of 56 races.

In January 1995, China made an eight-point proposal in line with Taiwan's most popular view — that the status quo be maintained — and this proposal was reconfirmed by Premier Li Peng in his report to the NPC session. In this connection, we hope that the Taiwanese side will deal with the issue in a rational way.

Japan: Article Introduces PRC Strategy for Taiwan
OW1103024696 Tokyo SANKEI SHIMBUN
in Japanese 6 Mar 96 Morning Edition p 5

[First in three-part "Can Chinese Military Win Next War?" series by Masaru Soma; this part entitled: "Chinese Strategy Shown in Prohibited Book"]

[FBIS Translated Text] Hong Kong, 5 Mar — The military situation in the Taiwan Strait is becoming tense as the PRC revealed its plan to conduct a missile launching drill starting on 8 March. In connection with this, U.S. and Japanese military specialists are paying attention to "Can Chinese Military Win Next War?" (published in June 1993), a Chinese publication discussing possible military operations in Taiwan and other regions.

The book was released by the publishing section of Southwest Teachers' University in Chongqing City of Sichuan Province, located in the inland China as the first release of the "Studies on Chinese Military and Future Wars" series; however, its sales was prohibited immediately after that because of too detailed strategic analyses.

The book consists of eight chapters, including 1) Regional Wars China May Face in the Future; 2) Recovery of Taiwan by Force; 3) China-India War; 4) War in North Korea; 5) Coping with Threats from North; and 6) Wars in South China Sea, with each of them containing definite strategic simulations. The book is noteworthy especially on its detailed analyses on possibilities of the next war China may have to face depending on the international situation through the end of 20th Century into the next century.

A military specialist who analyzed the book noted it contains much information available only to top officers of the People's Liberation Army [PLA]. In general, the book is considered as an "internal study made by strategy specialists in the center of the PRC military authorities" (as noted by a diplomatic source in Hong Kong). Xiao Bing and Qing Bo are introduced as the authors of the book, but those look like pen names.

Meanwhile, Hong Kong-based neutral newspaper MING PAO has recently reported CPC Central Military Commission Chairman Jiang Zemin (concurrently CPC general secretary) referred to the book, saying: "Leak of confidential information is becoming serious in the PLA. Hereafter, the military must strictly manage military confidences." This MING PAO report supports the supposition that the book itself is regarded as a confidential document in the PRC.

Taiwan's Independence Will Trigger Recovery by Force

Peaceful unification of the motherland is a wish of people both in China and Taiwan. To say nothing of political and economic viewpoints, culture, ethics, and sentiments of all Chinese people will certainly say the PRC's use of force against Taiwan is unacceptable. People both in China and Taiwan have been working much to see their dream come true in favorable ways.

In particular, Comrade Deng Xiaoping advocated "two systems in one nation (coexistence of socialism and capitalism in one nation)." In the near future, China will have experience of peaceful reversion of Hong Kong and Macau. Under such circumstances, is there any reason the PRC has to discuss recovery of Taiwan by force?

However, we wonder what would be trends in Taiwan in 1988, the year after Hong Kong's reversion to the PRC.

Separatists in Taiwan are apparently harmful to the accomplishment of our great task — the reunification of the motherland. Their presence is the internal obstacle to peaceful unification of the Continent China and Taiwan. The external obstacle is the United States. The two obstacles are acting in concert. The uncertainty in future moves of Taiwan separatists is making it difficult to achieve a peaceful reunification of the motherland.

For the United States, Taiwan is just like a bridgehead at the gateway of the Chinese continent, and its location is apparently ideal for the United States. Taiwan is a big island in the West Pacific, and its location is very important from strategic viewpoints.

If Taiwan remains available for the United States, the island can serve as the transit point for the U.S. Seventh Fleet's operations in waters around there. Taiwan is very useful for the United States to control Southeast Asia.

At the same time, availability of Taiwan would enable the United States to inhibit the PRC's East and South China Sea Fleets, and thus the Seventh Fleet would become a direct threat to the southeast coast of China. The United States intends to help independence of Taiwan using every possible support, tactics, and even its own blood, if necessary. In this case, China would not deny the possibility of use of force.

Recovery of Quemoy [Jinmen] Island to Dethrone Souls of Departed War Heroes

The first battle for recovering Taiwan will open on Quemoy Island.

To be exact, the battle to recover Quemoy Island is separate from the Taiwan recovery operation; however, it will certainly become the prologue of the war to recover Taiwan. Quemoy Island is located in the vicinity of Xiamen City of Fujian Province. In the first battle over Quemoy Island in 1949, the PLA failed to recover the island despite sacrifices of heroes of three PLA units. It was a unusual defeat in the history of the PLA.

Sea transportation will be the key to the battle of Quemoy Island. The success of the operation will depend on how soon we can send the second amphibious force following landing of the first amphibious transporter. We should paralyze the enemy forces on Quemoy Island by shelling for several hours, and then send Marine Corps. The operation must be concluded as an easy victory.

Is It Possible to Choose Taiwan Island as Main Battlefield?

Any War results in destruction, but China has two options for recovering Taiwan — use of force or a peaceful reunification. The ultimate goal of the operation is to develop the power of Chinese people by promoting the national economy with a concentration of human and material resources. Taking this principle into account, the recovery operation should not destroy the Taiwan economy. In other words, destruction of Taiwan Island must not be chosen as the method to recover the territory under any situation.

Therefore, Taiwan Island will not become the main battlefield of the war. The likeliest location of the battle is sea zones not very far from Taiwan Island. Definitely speaking, the battle may be carried on in waters near Pescadore [Penghu] Islands.

As a matter of course, field combats, urban combats, and contests for major cities may take place in the final phase of the war. However, nuclear or chemical weapons will not be used there. Only conventional weapons will be used in the war.

As a precursor said, "there should be certain limitations in battles in civil wars — we must not conduct a massacre."

Taiwan authorities will not prefer battles on the island. Under U.S. support, they will choose an exterminatory war in the sea. Their tactics will be to beat the communist navy in the Taiwan Strait.

Japan: Article Reviews U.S. Stand on DPRK

OW1203102696 Tokyo SAPIO in Japanese
13 Mar 96 pp 24-26

[Part two of two-part article by Pyon Chin-il, chief editor of KOREA REPORT: "There Was a Reason for

Clinton Going for 'Conciliatory Diplomacy' and Taking 'North Korea' off the List of Terrorist Nations"; first two paragraphs are SAPIO's introduction]

[FBIS Translated Text] As noted in the first part of this article, the North Korean issue is causing a rift in cooperative relations among Japan, the United States and the ROK. While the ROK insists rice aid to North Korea is unnecessary, the United States is about to start providing food aid to and easing economic sanctions on that country. Meanwhile, out of deference to the ROK, Japan cannot make any moves on North Korea.

Since 1990, North Korea's every movement has made Japan, the United States and the ROK jump and run around in confusion. What has made them act like that? This serial article has so far dealt with the moves of Japan, the United States and the ROK to get into the market of North Korea. Now, it will take a look at what North Korea and the United States are really after, and in what direction Japan itself should head.

U.S. Weak-kneed Diplomacy Was Upshot of Calculations on Risks and Interests Involved

There are now voices of concern among the people of the ROK Government asking themselves: "Can this mean the situation developing into that of these two countries establishing diplomatic relations without us involved?" The apprehension comes from fast ameliorating the relationship between the United States and North Korea.

The reason why the apprehension of the ROK Government cannot be laughed off as groundless is that the United States is about to take further conciliatory policy actions on North Korea in spite of the fact that no one knows when South-North dialogue can resume, while the resumption of that dialogue is supposed to be the precondition to the improvement of relations between the United States and North Korea.

In one of the conciliatory actions, the Clinton government has decided to provide \$2 million food aid to North Korea through the Food and Agriculture Organization (FAO) despite the agreement of vice foreign ministers of three countries — Japan, the United States and the ROK — in Honolulu in late January "not to make government-level food aid to North Korea."

In another action, it intends to take the additional step of easing economic sanctions on North Korea, and this intention was notified to the ROK by Anthony Lake, assistant to the U.S. President (for national security), when he visited Seoul in early February.

If this becomes a reality, it will become possible for U.S. businesses to make direct investment in North Korea as

well as trade with that country. The amounts of money that can be remitted to North Korea will also be raised.

The existing freeze on North Korea's assets in the United States (\$14 million) will also be lifted. North Korea will be allowed to make settlements in U.S. dollars through banks in third countries as well.

For North Korea, the easing of U.S. economic sanctions will work as a crucial lever in helping its economy pull out of a deep bottom.

But what is most symbolic of the United States' conciliatory policy is its intention to remove North Korea from the list of "terrorist nations."

This intention was revealed in a remark on "terrorist countries" by Secretary of State Warren Christopher. His foreign affairs keynote speech given on 18 January drew attention as it cited the names of Iran, Libya and Iraq as "terrorist countries" but left out North Korea from the list.

This was the first time that a ranking U.S. government official left out North Korea, while talking about "terrorist countries" in an official speech.

This policy line of the United States seeking improved relations with North Korea conforms with the U.S. national interest as well as President Clinton's reelection strategy.

Traditionally, the United States has used "power diplomacy," and so far, to make other parties yield from their antagonistic positions, it has used "sticks" (hard-line policy) instead of "carrots" (appeasement policy).

But in relation to North Korea, the Clinton administration has been so conciliatory as to be criticized as "weak-kneed" administration by the hardliners of the United States and other countries. As witnessed in the Geneva accord in November 1994 and the Singapore accord last June, the United States has swallowed all the demands of North Korea.

Specifically, in return for North Korea's agreement to freeze its nuclear development programs, the United States has agreed to supply to North Korea two light-water reactors worth \$4 billion and fuel oil (500,000 tons a year, worth \$30 million). It has also promised to open a liaison office [in Pyongyang].

The most important reason for treating North Korea differently from Libya and Iraq, and offering it "candy" or economic aid is that the United States has decided that it will be far wiser to use "candy" than a "whip" on North Korea.

For instance, if the U.S. Government, together with the United Nations or with allies like Japan and the

ROK, goes for economic sanctions on North Korea in an attempt to stop it from developing nuclear arms, North Korea could take it as a "declaration of war" on itself and start a war.

And if it is to be an all-out war, it should not be necessary to recall how the Gulf war ended. The allied forces of the United States and the ROK with their air supremacy will win. But the United States also thinks if such a war breaks out, casualties and damages resulting from it will far surpass those experienced in the Gulf war.

General Gary Luck, commander of the U.S. Armed Forces in Korea, in his report to President Clinton, predicted that a war in Korea would cause more than 1 million casualties including at least 80,000 to 100,000 U.S. troops and that economic losses from it on the ROK, Japan and China will exceed \$1 trillion.

It is too great a sacrifice to pay for the United States which is not even under the direct threat of North Korean nuclear arms.

Is Israeli Power Behind the U.S. Conciliatory Policy on North Korea?

Besides, this is not something very well known, but one of the reasons the United States chose the path of compromising with North Korea is because the North Korean issue is closely tied to the security issues of Israel.

When Y. H. Kim, who is in charge of North Korean affairs in the Korean Department of the U.S. Security Council, an advisory organ to the U.S. Congress, was in Japan on a visit recently, he granted me an interview. Asked about possible connection between the North Korean issue and Israeli security issue, Kim gave the following explanation:

"There are Jewish people's economic power and money lying at the base of U.S. economy. A major portion of the U.S. economy is run with the money of Jewish people. Meanwhile, the DPRK-made missiles, which can jeopardize their fatherland Israel, are flowing into Iran, Iraq and Libya, and, consequently, the United States is worried by this fact that these missiles capable of carrying nuclear and chemical warheads are going into the Middle East countries. To be more blunt, under the current U.S. security policy, protecting Israel is more important than protecting the ROK.

When North Korea test-fired its ballistic missile "Nodong 1" into the Sea of Japan off the Nodo peninsula of Japan on 11 June 1993, Israel immediately started negotiating with North Korea, asking it to

stop exporting missiles to Middle East countries and proposing to provide economic assistance in return.

Restrained by the United States, however, Israel eventually had to stop dealing directly with North Korea.

According to Kim, however, Israel has since worked from behind the scenes on the Clinton administration, using all kinds of channels and urging it to get the assurance from North Korea that the country will stop exporting missiles to Middle East countries.

There has also been pressure from the U.S. business firms and multinational business groups seeking to get into North Korea with the long-term view of eventually selling products in the Chinese market.

It was no coincidence that among the multinational businesses seeking to enter North Korea was "Magrich" [name as published], the Jewish-invested international trading company operating primarily from Paris and Geneva and dealing in grain, petroleum, and nonferrous metals.

In May 1993, this company sent a mission to North Korea, and offered to do barter trading by supplying grain and crude oil in exchange for gold, uranium and such nonferrous metals as magnesite. But not much progress has been made thereafter because of the U.S. economic sanctions on North Korea.

It was under these circumstances that Stephan Braun, chairman of the energy-resource-dealing Stanton Group, in his testimony before the U.S. Senate Energy Committee in January last year, called on the U.S. Government to ease trade sanctions on North Korea, saying:

"It is a life-or-death matter for U.S. interests to participate actively in the development of the Pacific economic bloc. The United States and U.S. businesses must not be left out of it."

Japan at a Crossroads in Diplomacy on the Korean Peninsula

Even before that happened, the American Chamber of Commerce and Industry in Korea (ACCIIK) in 1992 had presented a letter to the U.S. Government asking it to ease actions that restricted economic cooperation with North Korea.

In June 1993, the ACCIIK sent a mission to Vietnam, another country on the U.S. list of the nations with which the U.S. business firms were not allowed to cooperate. The ACCIIK, later on, called on the U.S. Government to ease its actions of restricting economic cooperation with that country.

Subsequently, the United States and Vietnam started negotiations, and progress was made in the form of the

United States first opening a permanent mission, the two countries then conducting joint operations to search for and recover remains of the deceased American soldiers, and thereafter the two countries' foreign ministers getting together for talks. Timed with progress in the negotiations, the United States gave out "candy" — providing humanitarian aid, partially lifting economic sanctions, and enabling the International Monetary Fund (IMF) to provide loans. In the end, the two countries normalized their relations.

Between the United States and North Korea, negotiations started in Hawaii in January to discuss the return of the remains of American soldiers killed during the Korean War. The series of actions the United States is now taking on North Korea appears to suggest it is following the "Vietnam formula."

If President Clinton seeking to get reelected wants to achieve some diplomatic feats in relation to North Korea before the presidential election in November, Secretary Kim Chong-il for his part wants to see relations with the United States improve before he takes over the top power post of his country some time after the second anniversary of President Kim Il-song's death (8 July).

North Korea's diplomatic strategy since the end of the war has been targeted on the United States. In other words, it is based on the old concept that "if the United States sneezes, Japan will catch a cold, and the ROK will fall down on the floor in prostration."

North Korea is trying to outfox the United States by using its "nuclear card," and to drive a wedge between the United States and the ROK. It wants to do that by wresting assurance on its security and economic assistance from the United States, and by pleasing the United States by changing its "anti-U.S." policy to a "pro-U.S." policy.

Particularly, for Kim Chong-il, the need to improve relations with the United States is urgent in order to get his nation out of the worst food crisis in its history soon. Some observers assert there is friction or discord between a group of economic and diplomatic technocrats and the military in North Korea over the matter of opening up the economy and receiving food assistance from international organizations. But according to reliable North Korean sources, North Korean diplomacy on relations with the United States is being led by the military, while the North Korean armed forces are under complete control of the "16-member military committee" which is loyal to Kim Chong-il. The "16-member military committee" is also a sort of contingency measure committee made up of first- and second-generation communist revolutionaries.

Last November, a group of U.S. military officers made a very secret visit to Pyongyang to discuss a broad range of issues including arms reduction. The North Korean party to the U.S.-DPRK officers' talks held in Pyongyang was said to have been headed by Yi Ha-il, a second-generation revolutionary and the head of the Workers Party military department, who was named a vice marshal of the army last October.

North Korea is now demanding the United States not stop at opening a liaison office, but go on further and conclude a peace treaty and establish diplomatic relations with it. In making its demands, it is using this time the "export of missiles" to the Middle East countries as its "trump card."

The Kim Chong-il regime can be said to be in a race with time, the outcome of which might determine if it can find a safe way out for itself by improving relations with the United States or fall into the destiny of crumbling under the food crisis. As it happens that Clinton and Kim Chong-il are more or less on the same boat, Japan is likely to be compelled into taking some kind of action in relation to North Korea.

And as it also happens that all three powers which have a big interest in the Korean peninsula — i.e. the United States, China, and Russia — want the United States and North Korea to improve their mutual relations and want the North Korean regime to remain stable, these countries will, no doubt, come to ask Japan to keep in step with them.

On 5 February, U.S. Ambassador to Japan Walter Mondale called on Japan's ruling coalition parties to accept Japan financing the program to supply fuel oil to North Korea. Earlier (on 23 January), Chinese Ambassador to Japan Su Tunshen, speaking before the Liberal Democratic Party's [LDP] Research Commission on Foreign Affairs, had said: "We would like to see Japan normalize relations with North Korea without further delay. Japan having amicable relations with North Korea will contribute to maintaining the stability of the Korean peninsula." The positions of these two ambassadors should be interpreted within the context of what I said above.

However, on the day after the Chinese ambassador made his speech, ROK Ambassador to Japan Kim Tae-chi, who also was invited to speak at the LDP Research Commission on Foreign Affairs, made it clear that his country wants "Japan to closely consult with the ROK (on the question of North Korea)." It can be said that the Japanese Government's "independent diplomacy" is bound by self-imposed limitations.

Japan is now in a particularly difficult position to proceed with improving relations with North Korea

since as it happens its relationship with the ROK is deteriorating fast over the question of territorial rights to the island of Takeshima (called Tokto by the ROK) and such fierce anti-Japanese emotions are rising in the ROK over this issue.

There are some people within the government and the ruling parties of Japan who are rebelling against the ROK's claims to territorial rights over Takeshima and are saying Japan should take this chance as a time to go for real "independent diplomacy" and to put a restraint on the ROK by normalizing relations with North Korea.

Japan, the United States and the ROK once were proud of their solid rock "alliance relationship," but now, apparently, a rift is occurring in that relationship as these countries are starting to put their own interests first in dealing with North Korea.

Japan now stands at a major crossroads of having to decide whether it should follow the United States or should side with its neighbor, the ROK — on the question of North Korea.

Tokyo Decides To Tackle Fishing Issues Before Sea Demarcation

OW1203070296 Tokyo YOMIURI SHIMBUN
in Japanese 11 Mar 96 Morning Edition p 2

[FBIS Translated Text] On 10 March, the government decided to start negotiations on fishing rights with the ROK and PRC ahead of talks on how to draw the boundaries of their exclusive economic sea zones in line with the UN Convention on the Law of the Sea. The decision aims to promote working-level fishery talks separately from negotiations on economic sea zones, which the government thinks will be rocky because of a territorial row between Japan and the ROK over the Takeshima [Tokto] islets.

Initially, the government planned to submit the UN convention-related bills to the Diet in early March. However, it postponed action until late March, hoping to open fishing talks by then.

In fishery talks, Japanese, South Korean, and Chinese officials in charge of fisheries affairs will discuss fishing quotas in each other's sea zones. Tokyo is considering enforcing a law beginning on 1 January 1997 that stipulates the size of fish hauls, according to species, in Japan's sea zone. Early conclusion of new fisheries agreements with the ROK and PRC is necessary for smooth administration of the law.

Japan: Editorial Urges Strengthening 'Friendly Ties' With ROK

OW1103002296 Tokyo MAINICHI SHIMBUN
in Japanese 4 Mar 96 Morning Edition p 5

[Editorial: Recognize Each Other as a Neighboring Country of the Greatest Importance]

[FBIS Translated Text] Prime Minister Ryutaro Hashimoto met with ROK President Kim Yong-sam in Bangkok on 2 March. While stressing their original stands regarding the territorial sovereignty over Takeshima Islands (known as Tokto in South Korea), they agreed to launch negotiations on the question of setting a 200-nautical mile exclusive economic zone, and to cooperate with each other in implementing foreign policy. It is extremely realistic handling of foreign affairs.

The recent summit has not been realized easily. In South Korea, many high-ranking officials at the Blue House had called for the postponement of the meeting due to the Takeshima issue.

According to ROK newspapers, the South Korean Foreign Ministry had eagerly explained the need of the summit with Hashimoto, and finally, President Kim decided to meet him. Japanese and South Korean authorities concerned deserve praise for their efforts.

However, we dare to give candid advice to the senior officials at the Blue House. The biggest policy promoted by the president is the "globalization of the ROK." In achieving this, it is also their task to make the president deserve the international reputation.

In international politics, it is an ordinary situation in which the territorial and sovereignty issues lie between adjacent countries. Despite such problems, leaders should try to form friendly ties with their adjoining nations so as to pave the way to settlement.

Leaders' capabilities as politicians would be questioned if they unnecessarily flare up people's hostilities to the neighboring country, worsening ties with it. It is impossible for those leaders and politicians who cannot maintain the relationship even with adjoining countries to earn the international community's respect.

It is true that at the Blue House, there are no ranking officials who are well versed in Japan. They should at least prevent the bilateral ties from deteriorating due to their lack of understanding and ignorance of Japan. They ought to frankly ask experts and the Japanese side about things they do not understand.

Needless to say, there have been problems with Japan. It is also true that some politicians of the ruling parties reacted unreasonably, ignoring past circumstances

surrounding the Takeshima issue. As it has so far continued to confirm its sovereignty over the islands, Japan should not have made a fuss about this matter.

Japan would not have been able to take back sovereignty over the Takeshima Islands with armed force even if it harms its relations with the ROK due to this matter. The Japanese Constitution bans the government from using armed force to resolve international disputes. Given such circumstances, it will be impossible for us to settle problems unless we build friendly and reliable ties with the neighboring country.

Although we are the nearest countries to each other, politicians of each country greatly lack understanding of circumstances surrounding the other. In the past, when they were in a fix, the ROK Government and ruling party used to ignite people's anti-Japanese sentiments to avert their attention.

In light of this lesson, Japan should not have stimulated the ROK when the ROK ruling party was reportedly in a fix with the April general election approaching. There is a view in South Korea that the Takeshima issue was used as a step to reduce the power of the Democratic Liberal Party, conservative opposition party led by former Prime Minister Kim Chong-Pi who had concluded the Japan-ROK Basic Relations Treaty.

Japan and the ROK are the nearest to each other, and can cooperate with and understand each other. At the same time, leaders and politicians of the two nations need to recognize each other as a neighboring nation of extreme importance in terms of international strategy. They should calmly consider who will benefit from the strained Japan-ROK relations.

Leaders and politicians of the both nations are not asked to take half measures, such as linking foreign affairs to the domestic political situation. They are requested to cooperate with each other in contributing to the international community, and in building the respectable and decent ties between adjoining countries.

Japan: MOFA Announces Aid Grant to Saint Vincent

OW0903162996 Tokyo KYODO in English
1344 GMT 9 Mar 96

[FBIS Transcribed Text] Tokyo, March 9 KYODO — Japan has extended up to 731 million yen in grant-in-aid to Saint Vincent and the Grenadines in the West Indies as part of efforts to help finance the construction of a fishery complex, the Ministry of Foreign Affairs [MOFA] said Saturday [9 March].

Officials of the two countries exchanged notes on the aid earlier in the day in Kingstown, the capital of Saint Vincent and the Grenadines, the ministry said.

The sum will be used to improve facilities at two centers in fishing, a major industry for the island country, it said.

Japan: Tokyo Said To Extend Food Aid to Azerbaijan

OW0703082096 Tokyo KYODO in English
0807 GMT 7 Mar 96

[FBIS Transcribed Text] Tokyo, March 7 KYODO — Japan will extend \$244,000 in food aid to Azerbaijan through the world food program, the Foreign Ministry said Thursday [7 March].

The assistance will be for refugees from the central Asian country's ethnic conflict, as well as pensioners and the disabled, the ministry said.

Japan has so far provided a total of \$2 million in emergency humanitarian aid to Azerbaijan through such organizations as the International Red Cross and Red Crescent Societies and the Office of the U.N. High Commissioner for Refugees.

Tokyo To Increase Aid to Pakistan's Gandhara Research

OW0703044896 Tokyo KYODO in English
0018 GMT 7 Mar 96

[FBIS Transcribed Text] Islamabad, March 7 KYODO — Japan will increase its assistance to Pakistan for various projects relating to research about the Gandhara civilization and the preservation of Gandhara artifacts, Japanese Ambassador Takao Kawakami said Wednesday [6 March].

He was speaking at the inauguration of studio facilities developed with the help of a Japanese grant by the institute of folk heritage.

Kawakami said Japan was already contributing to a four-year UNESCO project to preserve artifacts of the Gandhara civilization and carry out related research.

Gandhara, situated astride the Middle Indus River, developed a noted school of sculpture, consisting of mainly images of Buddha, but with marked Greco-Roman elements of style from the late 4th century B.C. to the 5th century.

Kawakami said Japan will also make available a grant for a museum at Taxila and adjacent archaeological excavations dating back to the 5th century B.C.

**Japan: Kubo Says No Change in Tax Money for
'Jusen' Plan**

OW1203030696 Tokyo KYODO in English
0127 GMT 12 Mar 96

[FBIS Transcribed Text] Tokyo, March 12 KYODO — Finance Minister Wataru Kubo said Tuesday [12 March] there would be no change in the government's plan to use taxpayers' money for the liquidation of seven troubled housing loan companies, known as "jusen."

"Both the ruling coalition and the government currently plan no freeze on the use of taxpayers' money or its removal (from the fiscal 1996 budget plan)," Kubo said at a press conference.

He was commenting on strong opposition to the liquidation scheme shown in recent public opinion polls.

The ASAHI SHIMBUN and the NIHON KEIZAI SHIMBUN, two major dailies, reported Tuesday a majority of respondents in their recent polls called for a freeze on the spending for the housing loan issue or its removal from the budget for the fiscal year that starts in April.

**Japan: EPA Head Warns Budget Fight Damaging
Economic Recovery**

OW1203032096 Tokyo KYODO in English
0245 GMT 12 Mar 96

[FBIS Transcribed Text] Tokyo, March 12 KYODO — The nation's top economic planner said Tuesday [12 March] that the compilation of a stopgap budget covering a long period in fiscal 1996 could damage prospects of economic recovery.

Shusei Tanaka, director general of the Economic Planning Agency (EPA), issued the warning in connection with growing concerns that the government may have to compile the stopgap budget, now that opposition legislators' protests have prevented Diet approval of the fiscal 1996 budget in time for the start of the fiscal year on April 1.

Opposition legislators have for eight days blocked access to the lower house budget committee room, to protest a plan to set aside 685 billion yen in the budget to help liquidate failed housing loan firms.

"If the period to be covered by the stopgap budget has to be prolonged, it would adversely affect the prospect that government-led efforts would lead the private sector" to reactivate the economy, he said.

**Japan: Official Blames Diet Impasse for Stock
Market 'Tumble'**

OW1103140996 Tokyo KYODO in English
0945 GMT 11 Mar 96

[FBIS Transcribed Text] Tokyo, March 11 KYODO — A senior Finance Ministry (MOF) official blamed Monday's [11 March] stock market tumble on small-lot selling due to lackluster trading and uncertainty over prospects of Diet debate on the fiscal 1996 budget.

"Foreign investors and other market participants refrained from buying as a wait-and-see mood was dominant due to uncertainty over prospects of Diet debate on the fiscal 1996 budget plan," Vice Finance Minister Tadashi Ogawa said at a news conference.

The key 225-issue Nikkei Stock Average lost 408 points at one point Monday afternoon and closed at a low for the year of 19,796.29, breaking its previous low of 19,919.97 Feb. 28.

Ogawa declined to make any comment on the current stock price level or the future course of the market.

Market sources said the stock market was hampered by a delay in Diet approval of the budget plan as well as the sharp fall on wall street last Friday.

Diet debate on the budget plan has been stalled due to a controversial provision to use 685 billion yen in taxpayers' money for the liquidation of seven mortgage companies that are now virtually bankrupt due to heavy problem loans.

**Japan: Shinshinto 'May Agree To Freeze' 'Jusen'
Spending**

OW1003082396 Tokyo KYODO in English
0749 GMT 10 Mar 96

[FBIS Transcribed Text] Tokyo, March 10 KYODO — The head of the leading opposition party suggested Sunday [10 March] that his party may agree to "freeze" a controversial appropriation for the liquidation of ailing housing lenders if the ruling coalition promises to dissolve the Diet after the passage of the fiscal 1996 budget.

Ichiro Ozawa, head of Shinshinto (New Frontier Party), said in a TV program, "if the ruling and the opposition parties can agree on the (timing of the) House of Representatives' dissolution and the ensuing general elections, and if we can have such an agreement as a premise, freezing or temporarily shelving (the budgetary appropriation) is an option."

However, Ozawa said Shinshinto essentially calls for the withdrawal of the spending of 685 billion yen in tax-

payers' money to help liquidate seven insolvent mortgage loan companies, known as "Jusen." The scheme has been under fire from the general public.

The ruling and opposition camps have been at odds over the liquidation program, with Shinshinto members continuing a sit-in at the Diet building to block the passage of the budget bill that includes the 685 billion yen for this fiscal year, which starts April 1.

Ozawa said Shinshinto wants to have an explanation from former Prime Minister Tomiichi Murayama, predecessor of Prime Minister Ryutaro Hashimoto, on why he approved the scheme while in office, and also wants to question Koichi Kato, secretary general of the Liberal Democratic Party (LDP), over allegedly taking 10 million yen in questionable donations from one of the borrowers from a housing loan company.

If these requests are accepted by the coalition, made up of the LDP led by Hashimoto, the Social Democratic Party headed by Murayama and new party Sakigake [Harbinger] led by former Finance Minister Masayoshi Takemura, Shinshinto may stop its sit-in protest at the Diet to pave the way for voting on the budget bill, Ozawa said.

Japan: Keidanren Said Alienated by Business Bodies on 'Jusen'

OW0903162896 Tokyo KYODO in English
1017 GMT 9 Mar 96

[FBIS Transcribed Text] Tokyo, March 9 KYODO — The Federation of Economic Organizations (Keidanren) is under fire from other big-business groups angered by its role in helping the ruling coalition devise a plan to have banks make what the coalition calls an "extra" financial sacrifice in liquidating seven ailing mortgage firms, according to industry sources.

On Monday [9 March], Keidanren vice chairmen acted as intermediaries in convincing the Federation of Bankers Associations of Japan to accept the plan to have banks pay what the coalition calls an additional 500 billion yen of the cost of liquidating the mortgage firms, known as "Jusen."

The vice chairmen who acted as the middlemen were Kotaro Higuchi, chairman of Asahi Breweries Ltd., Kenichi Suematsu, chairman of Sakura Bank, and Joesi Ito, president of Nippon Life Insurance Co.

The coalition's plan calls for banks to pay the 500 billion yen in the form of tax payments over the next seven years out of 1.5 trillion yen in revenue the banks are to raise through expanded rationalization programs.

Under the original liquidation cost-sharing plan, the banks which founded the Jusen firms in the 1970s were to bear a total of 3.5 trillion yen in costs, other banks 1.7 trillion yen and financial institutions of farm co-ops 530 billion yen.

The additional burden-taking plan was devised to win public support for a government plan to spend 685 billion yen in tax money to help liquidate the mortgage firms and also to convince opposition legislators to stop barricading a Diet committee room to prevent a vote on the fiscal 1996 budget.

The plan came under public criticism, however, for describing taxes the banks would have to pay anyway on profits accruing from rationalization programs as an extra financial sacrifice.

Opposition legislators, apparently emboldened by the public rage, barricaded the committee room for a sixth day Saturday, clouding prospects even for the original burden-sharing plan to clear the Diet shortly.

Leaders of other big-business groups have joined the chorus of critics of the additional burden-sharing plan.

Jiro Nemoto, president of the Japan Federation of Employers Associations (Nikkeiren), said the plan "is ridden with numerous incomprehensible points."

Jiro Ushio, chairman of the Japan Association of Corporate Executives (Keizai Doyukai), said the plan was compiled by the coalition and business circles "amid a mood similar to that of a dango" — a term to describe secret consultations to rig bids for public works projects.

Even Keidanren chairman Shoichiro Toyoda said the attempt to win public support with the additional burden-sharing gesture "was certainly not a good method."

The leaders of Nikkeiren, Keizai Doyukai and the Japan Chamber of Commerce and Industry turned down an invitation by Keidanren to meet Friday morning to hear the latter's explanations, they said.

The leaders of the three big-business groups apparently feared that accepting the invitation would be seen by the public as signaling their support for the plan to use tax money to liquidate the mortgage firms, the sources said.

The Keidanren chairman and vice chairmen are to meet Monday to discuss how to proceed under the circumstances, but they apparently have few good ideas, they added.

Japan: Polls Note Hashimoto Approval Rating Falls 'Sharply'

OW1203031796 Tokyo KYODO in English
0112 GMT 12 Mar 96

[FBIS Transcribed Text] Tokyo, March 12 KYODO —
- Public approval rate for the government of Prime Minister Ryutaro Hashimoto has fallen sharply from the level it was at the time of the cabinet's inception two months ago, two Japanese dailies said Tuesday [12 March].

The ASAHI SHIMBUN survey shows that support for the Hashimoto cabinet fell to 36 percent from 61 percent in January when the cabinet was first formed.

The NIHON KEIZAI SHIMBUN's poll shows a similar drop from 54.3 percent of respondents hailing the new cabinet in January to 36.7 percent.

On the other hand, disapproval rate of the Hashimoto government has swelled in the last two months from 20 percent to 43 percent, according to the ASAHI poll, and from 21.7 percent to 40.2 percent in the survey in Japan's leading economic daily.

According to the NIHON KEIZAI, 48.4 percent of the respondents said they did not approve of the cabinet because Hashimoto's "policies are bad," suggesting disapproval of his plans to spend 685 billion yen in public money to liquidate the crippled housing loan companies.

Still, 9.4 percent of the NIHON KEIZAI survey subjects said they consider the bailout "unavoidable," while 41.7 percent want a freeze on the money earmarked for rescuing the housing loan companies.

Less than a quarter, 23.5 percent, of the survey respondents want to see the House of Representatives dissolved for a general election while 71.1 percent said they want the legislators to pay attention instead to prosperity and economic issues.

Of the respondents to the ASAHI survey, 88 percent said there has still not been enough debate on the housing loan firm issue.

In the NIHON KEIZAI survey, 22.1 percent said they want the budget for fiscal 1996 revised while another 21.6 percent want the money earmarked for the loan firm bailout eliminated from the budget.

In the ASAHI survey, 54 percent said they want the bailout money scratched from the budget.

When the next general election rolls around, 69.7 percent of the NIHON KEIZAI subjects said the housing loan firm liquidation issue will be a criteria they consider when casting their vote.

The erosion of support for Hashimoto has also affected the approval for his Liberal Democratic Party, which saw its support slip from 36 percent to 24 percent in the ASAHI survey with a drop of 2.6 percentage points to 39.2 percent in the NIHON KEIZAI poll.

Support for the opposition Shinshinto (New Frontier Party) has edged up from 9 percent to 14 percent in the ASAHI survey, but remained at 14.4 percent in the NIHON KEIZAI poll.

Of the respondents to the NIHON KEIZAI pollsters, 66.6 percent said they have no positive appraisal of Shinshinto leader Ichiro Ozawa.

Support for the Social Democratic Party is tenuous at 6 percent in the ASAHI poll and 9.4 percent in the NIHON KEIZAI survey as 67.2 percent of the NIHON KEIZAI's survey subjects said they have no "expectations" for a new liberal coalition anchored by the SDP.

The ASAHI survey showed a general disapproval for the political parties since half of the respondents said they either "did not approve of any political party" or they "cannot respond."

The ASAHI survey was conducted by telephone March 10-11, obtaining valid responses from 1,143 people nationwide from a list of 2,000 eligible voters. The NIHON KEIZAI conducted its survey March 8-10 and obtained valid responses from 59.1 percent of the 3,000 survey subjects in approached by telephone.

Japan: Poll Shows Japanese Less Confident of Nation's Future

OW0903090696 Tokyo KYODO in English
0827 GMT 9 Mar 96

[FBIS Transcribed Text] Tokyo, March 9 KYODO —
The destructive Kobe earthquake last year and terrorist attacks allegedly conducted by the Aum Shinrikyo religious cult have left the Japanese feeling less confident that their society can sustain peace and stability, according to results of a government opinion poll released Saturday [9 March].

The survey by the Prime Minister's Office covered 10,000 adults throughout the country Dec. 7-20, with 7,022 people responding.

Of the respondents, 59.3 percent replied that they felt Japan had a peaceful society, down from 70.3 percent a year before, and 23.4 percent said they believed their country was stable, down from 31.2 percent.

Only 33.0 percent of the respondents said they felt proud of Japan's peace and order, a sharp drop from the previous year's 42.6 percent.

The killer temblor Jan. 17, 1995, devastated Kobe and its vicinity, leaving more than 6,000 people dead.

The Japanese were also terrified last year by a series of crimes allegedly committed by Aum Shinrikyo, including the March 20 sarin gas attack on Tokyo subways. At least 11 people were killed and thousands injured in the gassing attack.

The poll also showed that 52.6 percent said Japanese society was worse off today because of the irresponsible attitude of many people, an increase from 49.6 percent a year earlier.

For 49.2 percent of those polled, selfishness of people was the main social ill, compared to 48.6 percent the previous year.

On the economy, 72.4 percent said Japan has an advanced economy, down from 79.6 percent, while 53.9 percent thought the Japanese lead a rich life, down from 59.5 percent.

North Korea

DPRK Daily Denounces ROK for Publicizing DPRK Threat

SK1203030696 *Pyongyang Korean Central Broadcasting Network in Korean*
0830 GMT 11 Mar 96

[NODONG SINMUN 11 March commentary: "A Mad Dog Barks at the Moon"]

[FBIS Translated Text] There is a saying that "a mad dog barks at the moon." This can be compared to the acts of the Kim Yong-sam warmongers who are causing a stir by publicizing the nonexistent threat from the North.

Some days ago, traitor Kim Yong-sam prattled that comprehensive security preparations be made against the possibility of a totally unpredictable provocation by North Korea while pinning the insignia on the shoulder of the puppet military's stooge. Prior to this, the puppet prime minister showed up at the Joint Chiefs of Staff headquarters communique post and raved the same slanderous sophisms.

Even if a thief turns on the victim with a club, he should not go far as to lose his sense of propriety.

As the entire world recognizes, we have consistently made all-out sincere efforts to consolidate the country's peace and to prevent the danger of a war on the Korean peninsula.

Not only all the fellow countrymen but also the world's broad social circles have warmly welcomed and fully supported our proposal on turning this year into a year of great national unity and peace while highly praising

our sincere peace-loving efforts. Even a child knows that we cannot pose a threat to someone.

Nonetheless, the puppets are groundlessly slandering and vilifying us with unpredictable provocation by the North. This is indeed preposterous.

No one with reason will lend an ear to this false propaganda of the puppets. In fact, it is the puppets who watch for a chance to invade and grind the axe to stifle fellow Koreans with the help of outside forces. From the beginning of the year, the Kim Yong-sam ring has frantically staged all kinds of provocative exercises aimed at a war of northward aggression like the Team Spirit joint military exercise with outside forces, bringing the situation to the brink of dangerous war.

The puppets have already announced that it will continue to stage all kinds of adventurous war exercises against us on a large scale all year around. A few days ago, they even sent the puppet soldiers to the U.S. mainland and played the game of a war of northward invasion with the aggressive troops.

The traitorous Kim Yong-sam group is resorting to extremely hysterical activities for war against the North in an attempt to find a way out of the crisis caused by their involvement in the slush fund scandal in a reckless showdown with and war moves against the Republic.

The puppets who recklessly run amok bereft of reason may ignite the train of war against the North at any moment. In order to avert the people's wrathful eyes from themselves, accomplices in the slush fund scandal, to justify their extremely dangerous racket for a war of northward invasion, and finally to make excuses for stirring up a nest of fratricidal war with outside forces, the puppets are still publicizing the military threat of someone else despite the situation being as bad as it is.

All the countrymen and the world's peace-loving people are deeply concerned about the dangerous acts of the Kim Yong-sam ring which is running amok bereft of discretion.

We are sharply watching the acts of the bellicose Kim Yong-sam group who challenge the nation's aspiration for the peace and the peaceful reunification of the country and brings the cloud of fratricidal war, and are in full preparedness to smash enemy invasion at one stroke.

The Kim Yong-sam group must know that the more they resort to false propaganda about military threats from the North, the more obvious their anti-national, antipeace bellicose nature will become.

DPRK: Pyongyang Residents Welcome ROK Defector

SK1203100696 Pyongyang KCNA in English
0951 GMT 12 Mar 96

[FBIS Transcribed Text] Pyongyang, March 12 (KCNA) — A meeting of Pyongyangites was held here today to welcome Cho Won-ki, who defected to the northern half of Korea from South Korea some days ago.

A DPRK order and monetary prize were awarded and a souvenir was conveyed to Cho Won-ki at the meeting.

Addressing the meeting, Sin An-pang, vice-chairman of the Pyongyang Municipal Administrative and Economic Committee, said the defection of Cho Won-ki is a patriotic act which mirrors the aspiration of the fellow countrymen in the South to put an end to the Kim Yong-sam group's corrupt politics so as to realize their desire for new politics, independent and democratic, and bring earlier the reunification.

He expressed the belief that Cho Won-ki would devote himself to the glorious struggle for the prosperity of the socialist motherland and the nation's independent and peaceful reunification.

In his reply address, Cho extended warmest thanks to the great leader General Kim Chong-il, who has opened a road of new life and shown deep loving care and benevolence to him, with highest respect and admiration.

"Witnessing the reality of the North, I deeply felt that the North is a society whose future is promising under the wise politics of the respected General Kim Chong-il," he said. "But, the South, which shares the same land and mountains with the North, is a rotten society without tomorrow, to say nothing of the future."

"Along with the people in the North, I will be loyal and dutiful to General Kim Chong-il, as a son would his father, and work hard for socialist construction and national reunification," he said.

DPRK: S. Koreans in Japan Demand 'Comfort Women' Compensation

SK0903095896 Pyongyang KCNA in English
0815 GMT 9 Mar 96

[FBIS Transcribed Text] Pyongyang, March 9 (KCNA) — The Federation of South Koreans in Japan for Democracy and Unification (Hantongnyon) called upon the Japanese authorities to compensate the "comfort women for the army", according to the Korean compatriots' paper MINCHOK SIBO in Japan.

Hantongnyon held that the Japanese Government must admit their legal responsibility for the question of

"comfort women", compensate them, open all facts and data and severely punish those involved in the barbarity.

It noted that Japan inflicted great damage on the Korean people by drafting them as "comfort women for the army", servicemen, army employees and manpower during its colonial rule over the Korean Peninsula in the past. These crimes have not yet been atoned for though it is more than 50 years since its defeat in the war, the organisation said.

DPRK: SKNDF on ROK Tendencies Toward National Elections

SK0903030696 Pyongyang KCNA in English
0256 GMT 9 Mar 96

[FBIS Transcribed Text] Pyongyang, March 9 (KCNA) — The chief of the Pyongyang mission of the National Democratic Front of South Korea (NDFSK) [SKNDF], Yi Chong-sang, was interviewed on Friday [8 March] by KCNA as regards the popular tendencies and NDFSK's stand towards the 15th "National Assemblymen election" scheduled in April in South Korea.

He said:

The result of the forthcoming 15th "general election" will largely influence the 1997 "presidential election" and it will decide the question of whether a phase for democratization of South Korean society and national reunification will be opened by putting an end to the "civilian" fascism or the fascist rule will be kept in force.

The South Korean people have no interest in the "election" itself which is no more than a mere deceptive drama, but they insist that the conservative forces of Kim Yong-sam should not be allowed to win the "election."

The South Korean people have a death-defying resolution to bury the Kim Yong-sam group and the conservative forces and bring about a new political climate for independence, democracy and reunification.

Should Kim Yong-sam, a political prostitute, be left intact, independence and democratization in South Korean society and independent and peaceful reunification can not be realized.

The NDFSK will turn the forthcoming "election" into the one punishing the fascist traitors following outside forces and kingpins of irregularities in response to the desire of the South Korean people and the demand of the times, so as to discharge its mission and role as a patriotic vanguard of the South Korean people in the struggle to eliminate the Kim Yong-sam dictatorship and build a genuine patriotism-based people's government that is desirous of independence, democracy and reunification.

12 March 1996

**DPRK: Religious Group Condemns ROK
Broadcasts Along MDL**

*SK0903013596 Pyongyang Radio Pyongyang
in Korean to South Korea 0900 GMT 7 Mar 96*

[Letter from the Korean Religionists Council to the leaders of the ROK's religious organizations; dated 6 March — read by announcer]

[FBIS Translated Text] Dear leaders of South Korea's religious organizations.

As you may know, some religious organizations and subserving religionists in South Korea are openly committing provocative acts to irritate our Republic and debase our religionists, playing to the tune of the authorities' anti-North and anti-Republic confrontation racket.

For some time now, some subserving religionists affiliated with the organizations of Christianity, Buddhism, and Catholicism have aired religious broadcasts beamed at the North through megaphones installed in frontline units along the Military Demarcation Line (MDL), targeting the residents and soldiers in the northern half of our Republic. Through the religious broadcasts that have been aired under the pretext of so-called missionary activities as well as mental and physical rest, they have bluntly expressed their vicious purpose to seek our internal disunion and antagonism by groundlessly vilifying the Republic.

As the entire world recognizes, all people and religionists in the northern half of the Republic have become one big happy family and enjoy a worthwhile life under the most superior socialist system, which they chose and built by themselves. Hence, our people and religionists absolutely support our socialist system that defends their worthwhile life and true religion, valuing it as their life.

As regards religious activities and life in the North, our religious organizations and religionists, who are the masters and the persons concerned, know better than anyone else. They feel proud about their free religious activities that have been carried out in conformity with the characteristics of each religion.

Nonetheless, some subserving religionists in South Korea, who do not know a thing about us, impudently over-indulge in viciously debasing our Republic. This is truly absurd.

That the religionists, whose mission is to lead the fellow countrymen to love and reconciliation, have become the waiting maid of the South Korean authorities and military, discarding their duties, is a grave sin defiling holiness and disobeying the moral duties and disciplines of religionists, and a shameless and ridiculous evil act. Accordingly, if such reckless acts continue, it will only

aggravate inter-Korean relations and will throw a wet blanket on the atmosphere for reconciliation and unity that has just started to bloom. It is also clear as day that this will shatter the trust between religious organizations in the North and South.

If you are religionists in the true sense of the word who love the country and the nation, and are eager for the reunification of the fatherland, you should not become someone's tool by discarding your conscience as religionists, but should contribute to achieving the great national unity by realizing dialogue and contacts between religionists of the North and South.

We hereby express an expectation that you will pay due attention to this matter and will exercise your influence to immediately suspend religious broadcasts committed by some subserving religionists in collusion with the military authorities along the MDL.

Yours faithfully.

[Dated] March 6 1996

[Signed] The Korean Religionists Council

**DPRK Paper Condemns Kim Yong-sam for
'Spying' on NCNP**

*SK0903030796 Pyongyang KCNA in English
0259 GMT 9 Mar 96*

["Illegal Act for 'Election'" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, March 9 (KCNA) — Three policemen of the Tongdaemun Police Station in Seoul were caught redhanded while engaging in spying within the office of the Chongro District Committee of the opposition National Congress for New Politics (NCNP) at ten P.M. (1300 GMT) March 5, South Korea's Munhwa Broadcasting Corporation reported.

Commenting on this today, a NODONG SINMUN analyst says:

Needless to say, the traitor Kim Yong-sam, who takes the lead in illegal "election" campaign, manipulated the policemen to collect information in the opposition party building in South Korea.

He did so because he was not content with the mobilisation of the "New Korea Party" alone in illegal campaign. This shows what "fair and clean election" advertised by the Kim Yong-sam group is like.

The Kim Yong-sam fascist group's overt illegal campaign stems from their deplorable lot.

It is obvious that the Kim Yong-sam group will lose in fair "election." So, they are preparing to turn the

forthcoming "general election" into a pandemonium of sword and fraud and rig the "election" in favor of them. The infiltration of fascist police into the opposition party building is part of this intrigue.

The situation eloquently shows that clean election desired by the people cannot be held, nor can a democratic government be established in South Korea without the overthrow of the traitor Kim Yong-sam, the ringleader of "election" rigging who seized the "presidential" chair with the help of violence and a fabulous sum of black money.

DPRK: SKNDF Makes Public Anti-Kim Yong-sam Slogans

SK1103040196 Pyongyang KCNA in English
0344 GMT 11 Mar 96

[FBIS Transcribed Text] Pyongyang, March 11 (KCNA) — The Central Committee of the National Democratic Front of South Korea (SKNDF) made public fighting slogans on March 8 as regards the "National Assembly election" to be held in South Korea in April, according to Radio Voice of National Salvation (VNS) from Seoul.

The slogans called upon the people from all walks of life to turn out in the struggle against Kim Yong-sam and the "New Korea party".

The slogans appealed to all the people to rise up in the "general election" campaign to send Kim Yong-sam's "New Korea party" down the road to ruin and imprison Kim Yong-sam, the accomplice in the slush fund scandal and the patron of those responsible for the May 18 massacre.

The slogans stressed the need to smash the intervention of the "Agency for National Security Planning", a den of tricksters, in the "election" and wage the struggle for the abolition of the "National Security Law" and the release of prisoners of conscience in parallel with the "general election" campaign.

The slogans called for voting for new-emerging forces, who are devoting themselves for independence, democracy and reunification, and for rejecting the U.S. interference in the "election" and in the internal affairs of South Korea.

DPRK: Visiting Nepal Communist: War Threat Comes From ROK

SK0903095196 Pyongyang KCNA in English
0806 GMT 9 Mar 96

[FBIS Transcribed Text] Pyongyang, March 9 (KCNA) — General Secretary of the Central Committee of the Nepal Communist Party (United Marxism-Leninism) Madhav Kumar Nepal said during his visit to the DPRK

he could know well that the war threat is not from the North but from the South in the Korean Peninsula.

He said:

"Visiting Panmunjom and seeing the concrete wall built in the area South of the Military Demarcation Line, I thought the abnormal situation in which one nation live separated should never be continued.

"Even when we visit Panmunjom, hostility and confrontation rackets were being staged in the South side area against the opposite side. I could know clearly who really hopes for peace and reunification.

"The DPRK has made every possible effort to reunify the country since its separation.

"The Korean people's desire for national reunification will be achieved without fail thanks to Comrade Kim Chong-il, who has such lofty personalities as Comrade Kim Il-song had.

"I express firm solidarity of my party with the Korean people striving to reunify the country on the principle of national independence."

DPRK: Kim Yong-nam Speaks on Castro Visit Anniversary

SK0803033896 Pyongyang KCNA in English
0254 GMT 8 Mar 96

[FBIS Transcribed Text] Pyongyang, March 8 (KCNA) — The International Department of the Central Committee of the Workers' Party of Korea (WPK) and the Foreign Ministry of the DPRK on March 7 arranged a banquet on the occasion of the tenth anniversary of the Korea visit by Fidel Castro, first secretary of the Central Committee of the Communist Party of Cuba, president of the Council of State and president of the Council of Ministers of the Republic of Cuba.

Kim Yong-nam, Politburo member of the WPK Central Committee, vice-premier of the Administration Council and foreign minister, in his speech at the banquet said that the unforgettable first meeting and historic talks between the great leader Comrade Kim Il-song and esteemed Comrade Fidel Castro ten years ago were an epochal event which powerfully demonstrated at home and abroad the steadfast resolve and will of the parties, governments and peoples of Korea and Cuba to expand and develop their friendly and cooperative relations onto a new higher stage and fight it out for victory of the cause of socialism under the banner of independence against imperialism.

Since then the two peoples have invariably defended the revolutionary principle and class obligation, taking

joint steps in the international arena under the banner of socialism, Kim Yong-nam said, adding that today the fraternal Cuban people are honorably defending the gains of socialism attained with blood, decisively repulsing the moves of the U.S. imperialists and domestic and foreign reactionaries to isolate and stifle Cuba.

Referring to the illegal intrusion of planes of the U.S.-based Cuban exiles into the territorial airspace of Cuba some time ago, the speaker said that such criminal act as encroaching upon the sovereignty of Cuba must be disallowed any longer and the United States must not use the incident as an excuse to intensify sanctions and economic blockade against Cuba.

He said:

"We extend full support and solidarity to the Cuban people in their struggle to defend the sovereignty of the country and the nation's dignity to the last.

"We will strive to consolidate and develop the bonds of fraternal friendship, cooperation and solidarity between the two countries, true to the high intention of the great leader Comrade Kim Chong-il."

Cuban Ambassador to Korea Jose Ramon Rodriguez Varona in his speech said: "We are convinced that in the present-day changed world, socialism is the most advantageous social system for our people. That is why we are devotedly defending the social gains, with a firm conviction that we will not abandon it."

He expressed thanks to the party and government of the DPRK for their staunch stand of expressing unconditional support to the right of the Cuban people to respect the national sovereignty.

The friendship and amity forged between the Cuban and Korean peoples were further consolidated in the course of the historic visit to the DPRK by Supreme Commander Fidel Castro. The meetings between the supreme commander of Cuba and the great leader of the Korean people Comrade Kim Il-song at that time reached the supreme climax in the relations between the two parties, two governments and the two peoples; they will be conveyed long in history, the ambassador stressed, adding: "We will make all efforts with the consciousness of revolutionaries to enhance the daily mounting friendship between the two peoples onto a high level."

DPRK Editorials Mark Tenth Anniversary of Castro's Visit

SK0803081296 *Pyongyang KCNA in English*
0748 GMT 8 Mar 96

["Papers Underscore Development of Friendly Korea-Cuba Relations" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, March 8 (KCNA) — Papers here today carry editorial articles on the occasion of the 10th anniversary of Korea visit of Comrade Fidel Castro, the supreme leader of the Cuban revolution, and the signing of the treaty on friendship and cooperation between the two countries, which marked a brilliant chapter in the history of Korea-Cuba friendship.

The press underlines that Comrade Fidel Castro's Korea visit and the signing of the treaty marked an epoch-making occasion and milestone that gave a good momentum to the relations of friendship and cooperation between the two parties, two countries and two peoples.

NODONG SINMUN in an article titled "Invincible Korea-Cuba Friendship" says:

Friendship between Korea and Cuba is the one between class brothers, which was established in a joint struggle to oppose imperialism and register victory in the cause for peace and socialism.

Over the past ten years, the Korea-Cuba friendship has steadily developed in all fields under complex international situation in accordance with the spirit of the historic meeting of the leaders of the two countries and with the treaty on friendship and cooperation and the intimacy of the two peoples has deepened.

Now the friendship and solidarity between Korea and Cuba have become a model of comradely relations and revolutionary fidelity established between countries and peoples who are making revolution, and this is greatly conducive to pressing ahead with socialist construction in the two countries and hastening the world's revolution.

The Cuban people now are continuing progressing vigorously along the road chosen by themselves, repulsing all sorts of challenges and blockade of the imperialists.

Thanks to the correct policy of the Communist Party of Cuba on defence upbuilding, the nation's defence power has been consolidated creditably, which reliably defends the socialist system and the security of the people.

Some days ago, the Cuban Armed Forces downed U.S. planes that illegally intruded into the country's airspace, to defend the nation's sovereignty in good honour.

With the incident as an occasion, the U.S. is kicking up a row of "sanctions" against Cuba, but the heroic Cuban people are strongly reacting to it.

All achievements made on the Cuban land are attributable to the correct leadership of the Communist Party of Cuba headed by comrade fidel castro and the creative labour and devoted struggle of the Cuban people closely rallied around the party.

Cementing unity and solidarity and developing cooperative relations with the Cuban people are the consistent stand of the Workers' Party of Korea.

The Korean people, who actively support and encourage the Cuban people's cause of justice, will in the future, too, as in the past, stand alongside the fraternal Cuban people, holding aloft the banner of socialism.

MINJU CHOSON in an article says the Korean people highly praise the Cuban people for defending socialism and the nation's dignity under difficult circumstances and extend firm support and solidarity to their just cause.

DPRK: Pak Song-chol Meets Nigerian Government Delegation

SK0803114096 Pyongyang KCNA in English
1009 GMT 8 Mar 96

[FBIS Transcribed Text] Pyongyang, March 8 (KCNA) — Vice-President Pak Song-chol met and had a friendly talk with the government delegation of Nigeria led by Walter Ofonagoro, minister of information and culture, at the Mansudae Assembly Hall today.

Present were Choe Su-hon, vice-minister of foreign affairs, Song Pong-sun, vice-chairman of the DPRK information committee, and J.C. Eziaghighala, charge d'affaires ad interim of the Nigerian embassy here.

The head of the delegation said that the DPRK, which was devastated by war, has turned into a great country with a lot of modern grand monuments. Such a leaping progress cannot be seen in any other country, he said, and continued:

"Korea should certainly be reunified. The Nigerian people will invariably and fully support the Korean people's struggle for the peaceful reunification of the country."

DPRK: Visiting Nigerian Minister on Nonaligned Cooperation

SK0903025196 Pyongyang KCNA in English
0247 GMT 9 Mar 96

[FBIS Transcribed Text] Pyongyang, March 9 (KCNA) — Minister of Information and Culture of Nigeria Walter Ofonagoro, who is visiting the DPRK, was

interviewed by local and foreign reporters on Friday [8 March].

Recalling the 4th conference of ministers of information of the non-aligned countries held in Pyongyang in June 1993, he said that he came here to learn the experience of Korea, for the 5th conference to be held in Nigeria.

It is very important that the non-aligned countries raise the role of information media because the imperialists spread distorted reports in their interests, he said, and continued:

"The non-aligned countries must further strengthen cooperation and solidarity among themselves.

"Witnessing the realities in Korea, I was deeply moved by the profound truth and justness of the chuche idea created by the great leader President Kim Il-song, and the idea exerts greater influence day by day."

DPRK: Nigerian Government Delegation Departs
SK0903115096 Pyongyang KCNA in English
0938 GMT 9 Mar 96

[FBIS Transcribed Text] Pyongyang, March 9 (KCNA) — The delegation of the Nigerian Government led by Walter Ofonagoro, minister of information and culture of Nigeria, left here today after ending its 5-day visit to Korea.

The delegation visited Mangyongdae where the Great Leader President Kim Il-song was born and spent his childhood, the Three- Revolution Exhibition, the Grand People's Study House, the Pyongyang Metro, the Korean Film Studio and other places.

DPRK Paper Marks Syrian Independence Day
SK0803095496 Pyongyang KCNA in English
0811 GMT 8 Mar 96

[FBIS Transcribed Text] Pyongyang, March 8 (KCNA) — Papers here today extend warm congratulations to the Syrian people on the day of revolution and wish them greater success in their efforts for building a new society and achieving peace in the Middle East.

NODONG SINMUN says that the victory of revolution in Syria was a historical turning point in the struggle of the Syrian people, who wanted independence, peace, progress and prosperity.

After the victory in the revolution, the Syrian people have firmly maintained the stand of independence against imperialism, strengthened national unity and vigorously pushed forward the work to build an independent, new society under the leadership of President

12 March 1996

Hafiz al-Asad, a signed article of the paper says, and goes on:

Today, the Syrian Government has developed the friendly and cooperative relations with the Arab and other countries of the world and actively striven to solve the problem of the Middle East comprehensively and impartially.

At Middle East peace talks Syria strongly urged that Israel should implement the land-for-peace principle and withdraw from the Golan heights unconditionally.

The Korean people highly appreciate the success made by the Syrian people in the building of a new society and extend full support and solidarity for their just cause.

Our people will make energetic efforts to strengthen and develop the traditional relations of friendship and cooperation between the two countries in the future, too.

A signed article of MINJU CHOSON notes:

The Korean people express the belief that the friendship between the two countries forged on the road of anti-imperialist independence will expand and develop, and sincerely wish the Syrian people greater success in their struggle for the independent development of the country and territorial integrity.

DPRK: British 'New Communist Party' Head Praises Leaders

SK1103142996 *Pyongyang KCNA in English*
0953 GMT 11 Mar 96

[FBIS Transcribed Text] *Pyongyang, March 11 (KCNA)* — Eric Trevett, general secretary of the Central Committee of the New Communist Party of Great Britain, published an article on loyalty inherent in Korea on the basis of what he saw during his several Korea visits.

In an article headlined "I Saw Noble Loyalty Inherent in Korea" he said that loyalty in Korea stems from the leader's love and worship for the people.

The article reads in part:

The great Comrade Kim Il-song, the founder of socialist Korea, put forward the philosophy of worshipping the people such as trusting them as heaven and valuing them and absolutizing their strength from the first days of his revolutionary activities.

It was his first pledge of loyalty to liberate the country by devoting his all. True to this pledge, he embarked upon the rigorous road of revolution full of unpredictable difficulties and trials.

For nearly 50 years until his death since the liberation of Korea, he visited factories, rural villages, military units, schools and construction sites and so on, more

than 18,000 in all, and made countless difficult journeys and devoted his all without a day's rest remaining unflinchingly loyal to the people, whom he so worshipped throughout his life.

As for the absolute worship of the Korean people and the world people for Comrade Kim Il-song, a veteran statesman of the world, it is unthinkable without his tremendous achievements as a great thinker and theoretician, a distinguished leader and an ever-victorious brilliant commander in human history.

His great chuche idea, which is unique in the history of human thought, is a product of his unshakable trust in the strength of man and boundless loyalty to the popular masses. The victories in the anti-Japanese guerrilla war and the anti-U.S. total war in the 50s in Korea are also an eternal fruition of his philosophy of worshipping the people and loving soldiers, a philosophy of the son of the people, the leader of the people and the supreme commander of the people's army, I dare say.

Loyalty in Korea has deep roots and pure traditions. The Korean-style loyalty has become the faith and will, ideological emotion, conscience and custom of the people and army in the country while it has been constantly carried forward and developed for nearly one century.

As the communists of the first generation of Korea worshipped Comrade Kim Il-song, the young leader, as the star and the sun of the sky in the 20s of the present century, the people and the revolutionary Armed Forces of Korea are today worshipping and upholding Comrade Kim Chong-il as the sun and symbol of all victories and happiness.

Loyalty of the Korean People and People's Army to Comrade Kim Chong-il is absolute. This absolute loyalty turns into unlimited material strength in the course of unconditional execution.

In Korea no one regards the execution of the order and instruction of the leader as a restraint. Because one feels by heart through his long life that this guarantees the nation's prosperity and his happiness.

As Korea has loyalty which was created by Comrade Kim Il-song, a legendary brilliant commander, and is purely carried forward and developed by Comrade Kim Chong-il, a distinguished political leader, the authority and achievements of the leader remain unchanged, shine brighter and influence the world, even in the ordeals of history and storm and stress.

The Korean people, who are united around Comrade Kim Chong-il in one mind, will, as in the past, so in the future, too, glorify the traditions of loyalty.

DPRK: International Hotel Marks Kim Chong-il Anniversary

SK0803112396 Pyongyang KCNA in English
0817 GMT 8 Mar 96

[FBIS Transcribed Text] Pyongyang, March 8 (KCNA) — A meeting was held here on Thursday to mark the 30th anniversary of the Great Leader Comrade Kim Chong-il's on-the-spot guidance to the Taedonggang Hotel.

The hotel is the first international hotel in the Democratic People's Republic of Korea.

Comrade Kim Chong-il visited the hotel on March 6, 1966, and indicated how to serve foreign visitors and how to manage the hotel.

The meeting heard thanks sent by Comrade Kim Chong-il to officials and employees of the hotel, who have made active contributions to lifting the country's prestige in external relations, by successfully conducting the service work for foreigners with unfailing loyalty to the Workers' Party of Korea and the leader in the past 30 years.

It was noted at the meeting that his inspection marked a new turn in improving service work of the international hotel in conformity with development of the situation and carrying out the party's policy in this sector.

A letter of pledge to Comrade Kim Chong-il was adopted at the meeting.

DPRK: Kim Chong-il Sends Thanks To Youth, Factory Units

SK0903025796 Pyongyang KCNA in English
0241 GMT 9 Mar 96

[FBIS Transcribed Text] Pyongyang, March 9 (KCNA) — The great leader Comrade Kim Chong-il extended thanks to the Pyongyang Municipal Committee of the Kim Il-song Socialist Youth League and young people in Pyongyang for their active contributions to arranging the area of Potong River in Pyongyang as a more beautiful people's recreation ground and to farming preparation for this year.

He also sent thanks to the Hwachon Coal Mine, the Tokchon Area Coal Complex, the Kaechon Area Coal Complex, the South Hamgyong Provincial Forestry Administration, the Pyongyang Ceramic Tool Factory and other units for their examples in coal production and supply service for it.

DPRK: Kim Chong-il Receives Letter From Nigerian Leader

SK0903030596 Pyongyang KCNA in English
0248 GMT 9 Mar 96

[FBIS Transcribed Text] Pyongyang, March 9 (KCNA) — A personal letter and a gift came to the great leader Comrade Kim Chong-il from Sani Abacha, head of state and commander-in-chief of the Armed Forces of Nigeria.

They were handed to Vice-President Pak Song-chol on Friday [8 March] by visiting Nigerian Minister of Information and Culture Walter Ofonagoro, who is heading a government delegation of Nigeria.

DPRK: Chongnyon Groups Send Letters to Kim Chong-il

SK0903095396 Pyongyang KCNA in English
0810 GMT 9 Mar 96

[FBIS Transcribed Text] Pyongyang, March 9 (KCNA) — The Great Leader Marshal Kim Chong-il received letters and a letter of pledge from organisations of the General Association of Korean Residents in Japan (Chongnyon).

A letter from the participants in the second enlarged meeting of the 17th Central Committee of Chongnyon expressed the determination of the Chongnyon officials to bring about a decisive turn in the work among the rising generations and all other compatriots this year and intensify national education with the efforts of all compatriots so as to creditably train reserves who will successfully carry forward the patriotic movement.

A letter from the Korean educators and scientists in Japan and students studying at Japanese schools who participated in a meeting for extending thanks to Marshal Kim Chong-il for the remittance of educational aid fund and stipends by the 133rd installment said they would bring about a new turn in educating the new generations this year to be competent national cadres and genuine patriots unfailingly loyal to him.

The letter of pledge from the participants in a meeting of Korean youth and students in Japan to vow to exalt the League of Korean Youth in Japan forever as an overseas patriotic youth organisation of the Great Leader Generalissimo Kim Il-song expressed the resolution to live and fight all their life as loyal subjects and filial sons who resolutely defend the respected marshal.

The letters and the letter of pledge wholeheartedly wished him good health and a long life.

DPRK: VNS: Literature on Kim Chong-il Distributed in ROK*SK1003063896 Pyongyang KCNA in English
0606 GMT 10 Mar 96*

[FBIS Transcribed Text] Pyongyang, March 10 (KCNA) — Literature praying for long life and good health of the great leader Comrade Kim Chong-il was distributed to people in Sanjong-tong and Taesong-tong, Mokpo city on February 16, according to the Seoul-based radio Voice of National Salvation (VNS) quoting the information from the South Cholla Provincial Committee of the National Democratic Front of South Korea.

The literature distributed with mails and newspapers said:

"The birth of the great leader Kim Chong-il is a great fortune for the nation.

"Prosperity of a reunified country and a glorious future of the Tangun nation are in store by the leader Kim Chong-il.

"Let us pray for the leader Kim Chong-il's long life in good health with the pride of holding him in high esteem as the leader of our nation."

DPRK: Tanzanian Leaders Express Support for Kim Chong-il*SK0903100496 Pyongyang KCNA in English
0817 GMT 9 Mar 96*

[FBIS Transcribed Text] Pyongyang, March 9 (KCNA) — Tanzanian President Benjamin William Mkapa and Prime Minister Frederick Tluwey Sumaye mentioned the friendly relations with the DPRK when they respectively met the DPRK ambassador.

The president expressed full support and solidarity for the Great Leader Comrade Kim Chong-il, who is promoting a grand plan for the rapid development of the country, as well as for the Korean people's efforts.

The Government of Tanzania will support all the DPRK policies and develop close cooperative relations with the DPRK Government in the international arena in the future, too, he stressed.

The prime minister said that the friendly and cooperative relations between the two countries provided by the Great Leader Comrade Kim Il-sung and His Excellency Julius K. Nyerere, former president of Tanzania, have a long history.

The Tanzanian people will always remember the efforts of Comrade Kim Il-sung for self-sufficiency of food in Tanzania, he noted.

DPRK: Kim Chong-il Cited on Socialism as Means to Independence*SK1003083296 Pyongyang KCNA in English
0630 GMT 10 Mar 96*

["Socialism Is Ideal of Popular Masses for Independence" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, March 10 (KCNA) — The great leader Comrade Kim Chong-il scientifically and clearly indicated that socialism is the ideal of the popular masses who are struggling for independence and thus powerfully proved the invincibility of the socialist cause.

Comrade Kim Chong-il said:

"Socialism is the ideal and the revolutionary banner of the popular masses who are fighting for independence."

NODONG SINMUN in a signed article today says:

That socialism is the ideal of the popular masses who are struggling for independence means that socialism is the idea aspired and desired by them.

The popular masses aspire after socialism because it is the most advanced society where they are the masters of everything and everything serves them and which is developed by their united efforts.

Referring to the reason why the popular masses aspire after socialism, the article notes: This is because socialism is based on collectivism and is a society in which the popular masses are the masters of the state and society, and politics of love and trust, benevolent politics, comes into force.

In socialist society the state power becomes the power of the people themselves, and all the wealth of society serves for well-being and promotion of the popular masses who are the masters of the means of production.

The distinction between the exploitative society and the socialist society is in essence the distinction between individualism and collectivism. The exploitative society is a society based on individualism whereas socialism is a society based on collectivism.

Socialism applies relations of comradely unity and cooperation, love and trust in all fields of social life and turns politics into one of love and trust. The bourgeois politics is a harsh, crafty oppressive politics, predatory politics driven by money, but the politics of the socialist society where the popular masses are the masters of politics is in essence the politics of love and trust.

Socialism is a viable society where the leader and his men, the party and the people, all the members of

society, are united with love and trust and devote all their energies to the struggle for independence full of hope.

For its truth and validity, socialism is deeply cherished in the minds of the people and its attraction is brought into full play day by day.

DPRK: Foreigners, Overseas Koreans Pay Homage to Kim Il-song

SK0803033796 *Pyongyang KCNA in English*
0243 GMT 8 Mar 96

[FBIS Transcribed Text] Pyongyang, March 8 (KCNA) — Visiting foreigners called at the Kumsusan Memorial Palace where the great leader President Kim Il-song lies in state on Thursday and made bows to him in deep reverence. Among them were the delegation of the Lumumba Democratic Party of Zaire led by its Secretary General Ngoy Nduba Kamatanga, the Nigerian Government delegation led by Walter Oforogoro, Minister of Information and Culture, and newly-appointed Croatian Ambassador E.P. [extraordinary and plenipotentiary] to Korea Branimir Strenja.

The visitors made an entry in the visitor's book.

Secretary General Ngoy Nduba Kamatanga wrote that the great leader, His Excellency President Kim Il-song, had made enormous achievements for the Korean people and mankind as well, expressing his conviction that mankind's cause for independence and Korea's reunification, desired by him during his lifetime, will be realized on any account.

The Nigerian minister of information and culture wrote that, though His Excellency President Kim Il-song passed away, the enduring feats he had performed for mankind will be remembered forever by all peoples.

The Croatian ambassador wrote that Comrade Kim Il-song had made big contributions to developing friendly relations between Croatia and the Democratic People's Republic of Korea and the cordial relations will remain unchanged in the future, too.

That same day, a delegation of students of Korean university under the General Association of Korean Residents in Japan (Chongnyon) paid homage to President Kim Il-song at the Kumsusan Memorial Palace.

DPRK Symposiums Held on International Women's Day

SK0803112196 *Pyongyang KCNA in English*
0807 GMT 8 Mar 96

[FBIS Transcribed Text] Pyongyang, March 8 (KCNA) — Symposiums on undying revolutionary achievements

scored in developing the Korean women's movement were held by officials and members of the Korean Democratic Women's Union in all provinces on the occasion of the March 8 International Women's Day.

Speakers at the symposiums elaborated on the enduring feats performed by the Great Leader President Kim Il-song and the respected General Kim Chong-il in the history of the Korean women's movement and pointed out that Comrade Kim Chong-suk, an indomitable communist revolutionary fighter, was an outstanding leader of the Korean women's emancipation movement.

They recalled that President Kim Il-song, deeply seeing through the significance and importance of the solution of the question of women that make up half of the country's population, clearly indicated the road ahead of the women's movement from the first days of his revolutionary activities. After the liberation of the country he founded the Korean Democratic Women's Union and led all women of the country to grow as reliable ranks that creditably roll one of the two wheels of the revolution, by educating them on revolutionary lines and assimilating them to the working class.

They underlined that the respected general has developed the president's idea on women's emancipation so as to make the women's union fully perform its mission and duty in each period and at each stage of the development of revolution.

The speakers pointed out that Comrade Kim Chong-suk, who endeavoured to brilliantly carry into effect the president's church-based idea on women's emancipation, waged energetic activities, after the liberation, in different parts of the country including Pyongyang to build up the women's union to be a mass organization that struck its root deep into the working women.

They stressed that, under the wise leadership of the party and the leader, the Korean women's movement has traversed a road of victory and glory and the Korean women live the happiest, worthwhile life in the world, as important members of society and the revolution.

DPRK Paper Marks International Women's Day

SK0803081096 *Pyongyang KCNA in English*
0741 GMT 8 Mar 96

[“NODONG SINMUN Observes International Women's Day” — KCNA headline]

[FBIS Transcribed Text] Pyongyang, March 8 (KCNA) — NODONG SINMUN today says all the women of the country will keep the flower of the revolution into full bloom under the leadership of the Workers' Party of Korea, holding the great leader Comrade Kim Il-song in high esteem for all ages.

In an editorial dedicated to the March 8 International Women's Day, the daily notes that the women's movement in Korea made a successful start and has enjoyed the most glorious history under the leadership of Comrade Kim Il-song.

The daily says:

Their movement whose glorious traditions were established in the period of the anti-Japanese revolutionary struggle guided by him developed still further after the liberation of the country.

After restoring the fatherland, he promulgated the historic law on equality of the sexes, a chuche-based programme of women's emancipation, successfully resolving the women's question for the first time in the world.

It was under his wise leadership that the Korean women could fully display their wisdom and talent with important revolutionary duties and enjoy a worthwhile life. And it was thanks to his benevolent care that their personality and dignity have been highly respected and their position has been enhanced steadily.

Under his wise leadership, they could enjoy victory and glory and greatly contribute to the development of the party and revolution.

Our sacred red flag has been dyed with precious blood shed by our women who devoted themselves to the party and the leader, to the country and the people.

Now the Korean women are playing an important role in the efforts for making their country, their homeland more prosperous under the leadership of the respected general Kim Chong-il.

They are, indeed, flowers of our society and our country.

With their happiness ever increasing, all our women must keep the red flower of the revolution into full bloom under the leadership of the party, always feeling grateful to Comrade Kim Il-song, who reared them reliably to roll one of the two wheels of the revolution.

They must also further strengthen solidarity with women of other countries for independence, peace and friendship.

DPRK: Women Account for 49 Percent of Workforce

SK0803112296 *Pyongyang KCNA in English*
0814 GMT 8 Mar 96

[FBIS Transcribed Text] Pyongyang, March 8 (KCNA) — Women account for 49 percent of the workforce in all sectors of the national economy in the Democratic People's Republic of Korea.

July 30, 1946, the year after the liberation of the country, the Great Leader President Kim Il-song promulgated the law on equality of the sexes, with the result that the women could begin exercising equal rights with the men in all fields of the social life and they have had their position and role enhanced in each period and at each stage of revolution and construction.

The Great Leader Comrade Kim Chong-il has shown a meticulous care for the women so that they might always work for society and collective. He considers that only when the women are prepared reliably to roll one of the two wheels of society, is it possible to further promote social development and accelerate socialist and communist construction.

The DPRK's women are provided with all conditions necessary for their engaging in their jobs with no worry.

They are making up the bulk of the workforce at the light industry factories and local industry factories throughout the country.

Considerable is what the women do in scientific, educational, literary and art and public health domains and in various sectors of the national economy.

DPRK: Self-Reliance Said Improving People's Living Standards

SK0803112096 *Pyongyang KCNA in English*
0753 GMT 8 Mar 96

[FBIS Transcribed Text] Pyongyang, March 8 (KCNA) — Great successes in improving the people's living standard have been achieved in various counties of Korea by fully displaying the revolutionary spirit of self-reliance.

Working people in many counties, in the last few years, built numerous dwelling houses, welfare service facilities, medium and small power stations, coal mines, and made many raw material bases by themselves on the basis of local natural resources and building materials.

Over 5,200 dwelling houses, a county people's hospital, a children's park, a fun fair and so on were newly built in Taehung County, South Pyongan Province.

People in Chongpyong County, South Hamgyong Province, built a reservoir by disposing of nearly two million cubic meters of earth to make natural irrigation system for 70 percent of paddy-fields of the county and an excellently-equipped cement factory and iron and steel production base in a short period.

In the last few months, a power station was built in Yonthan County, North Hwanghae Province, so that the county may have its electricity needs met satisfactorily.

To that end, the county had carried out a project of 37,000 cubic meters of earthwork, an excavation of 4,500 cubic meters of rocks and a concrete tamping of 4,900 cubic meters.

Raw material bases of over 100 hectares were newly made in a short period in different counties including Paekam County of Yanggang Province and Pyonggang County of Kangwon Province.

Thousands of dwelling houses were newly built last year in many counties such as Kangdong County, Pyongyang and Paechon County, South Hwanghae Province.

Medium and small power stations and coal mines were built in Toksong County, South Hamgyong Province, Pongchon County, South Hwanghae Province, and other places to fully meet the needs of power and fuel.

DPRK: Chinmyong University in S. Hwanghae Province Profiled

SK0903095596 Pyongyang KCNA in English
0812 GMT 9 Mar 96

[FBIS Transcribed Text] Pyongyang, March 9 (KCNA) — Chinmyong University is in Haeju, capital of South Hwanghae Province.

The university trains teachers for secondary education.

It was founded on October 1, 1948 as the Haeju Teachers Training College and was promoted to Haeju University of Education No. 2 in September, 1972.

It was renamed Chinmyong University in October 1990.

The university covers an area of over 80,000 square metres.

The university has scores of major faculties including the revolutionary history of the Great Leader Comrade Kim Il-sung, history and geography, physics and mathematics, biology and chemistry, music and art and physical culture.

It has modernly-equipped doctoral and research institutes, tens of laboratories and practice rooms, library, gymnasium and so on.

The teaching staff of the university include tens of holders of academic degrees and titles, excellent scholars and experts.

Since its foundation the university has produced a lot of teachers with profound scientific knowledge and pedagogical methods.

They play an important role in the education of the province.

South Korea

ROK: Bullets Reportedly Found in Beef Imported From U.S.

SK1203092296 Seoul TONG-A ILBO in Korean
12 Mar 96 p 47

[Article by reporter Cho Yong-hwi from Pusan]

[FBIS Translated Text] Lead bullets used in hunting have been found in imported beef sold at a market in Pusan, and because of this, all beef ribs imported on the same day have been banned from sale.

According to a report from Yongdo-ku Office in Pusan, on 11 March four 3.5 mm-long lead bullets were discovered in imported beef ribs, called "L.A. beef," at a discount outlet run by the Sowon Distribution Company (representative: Yi Won-kil) located in Pongnae-tong, Yongdo-ku, Pusan. Four more lead bullets were found while the Health and Environment Research Institute and the Sowon Distribution Company were inspecting the beef ribs in question.

These lead bullets were discovered when Yim Hae-won (37, Tongsam-tong, Yongdo-ku, Pusan) was cooking at home the beef purchased from the above-mentioned discount outlet on 8 March.

He said: "I discovered four lead bullets at home and I fear that my children might have swallowed lead bullets."

Regarding this imported beef, the Sowon Distribution Company revealed: "The beef ribs are a part of the beef that the Koska [as transliterated] Trading Company (representative: Kim Hui-yong), an imported beef clearance agency, located in Suwon, Kyonggi Province, imported last November from the IBP Company of the United States, the largest meat processing company in the world, and distributed to department stores and distribution agencies throughout the country."

Yim Chae-yong, chief of the section in charge of imported beef in the Koska Trading Company, said: "In the United States and Australia, cattle chasers frequently use lead bullets in the course of pasturing and managing cattle. The cattle hit by lead bullets is often exported without the lead bullets being discovered during the inspection after being slaughtered."

Yim said that "a similar case also took place in Seoul last year," adding: "Generally, such a case is solved by compensating the victims for their loss."

A Ministry of Agriculture, Forestry, Fisheries official said that "the ministry will take relevant measures on this case as soon as the police authorities' probes are completed."

On the other hand, Chin Song-hyon, 37, researcher at the Pusan Health and Environment Research Institute, said: "If a person ingests lead he will suffer from anemia or myalgia. If a person eats meat containing lead bullets, he will have similar symptoms."

ROK, U.S. Reportedly Agree To Expand EU Role in KEDO

SK1103135896 Seoul KBS-1 Radio Network in Korean 1300 GMT 11 Mar 96

[FBIS Translated Text] Regarding the light-water reactor project for North Korea, the ROK and the United States agreed to expand the EU's role in the Korean Peninsula Energy Development Organization (KEDO) in order to secure funds for heavy oil to be supplied to North Korea.

Newly appointed KEDO Executive Director Cleveland paid courtesy calls today on Kwon O-ki, deputy prime minister in charge of unification affairs; Kong No-myong, foreign minister; and Chang Son-sop, secretary general of the Office of Planning for the light-water reactor project, and reached the agreement with them on the premise that the EU will bear additional heavy oil costs. However, details of the EU's role and position in KEDO were not discussed at today's meetings. The ROK and the United States exchanged opinions on expanding KEDO membership, and on the transport of construction materials.

ROK To Ease Import Procedures on 25 DPRK Items

SK0503050996 (Internet) The Joong-Ang Ilbo WWW in English 5 Mar 96

[FBIS Transcribed Text] The National Unification Board [Ministry of National Unification] announced that it will revise and enforce on March 5 the official list of items which are permitted in inter-Korean trade exchanges. With the new measure, 25 items including North Korean apple trees, pear trees, several types of mushrooms and poultry whose imports to South Korea were previously forbidden, can be brought into the south without going through additional authorization procedures.

Five items including frozen ducks, royal jelly and frozen pollack, however, will be newly added to the list of import-restricted items, and must be approved by the relevant ministry before importation is possible.

ROK Editorial Views Scenes in DPRK 'Human Bomb' Training

SK1203104096 Seoul SEOUL SINMUN in Korean 12 Mar 96 p 3

[Editorial: "Shocked at North Korea's Human Bombs"]

[FBIS Translated Text] They jumped off the plane with four to five bombs tied to their bodies. They practiced stabbing wearing firearms on their padded outfits. They rolled their naked bodies on broken glass. Their children are trained to become guns and bombs. These acts are made according to the "teachings of the great leader [chidoja] Kim Chong-il, who gives us food and clothes."

The scenes of North Korea's so-called commando training were shivering. An ROK television station obtained the video tape from Japan's NHK and broadcast the training scenes. It was a tragedy and a comedy as well to hear the hungry people call their leader, who made them glean the fields, "wise and great" in our Korean language.

These days, states have to be responsible if citizens hurt a finger if it is caused by public transportation. No theory can justify using human beings in place of bombs for attacks. What sounds like acts of illegal gangsters are being conducted in the name of the state somewhere on the Korean peninsula. This makes us feel miserable. Their children have the same ancestors as our children, they read and write the same language, and say the same greetings as ours. It is enraging that these children say in the Korean language that they are proud to become "guns and bombs."

Moreover, what is the objective of making them "human bombs?" The bombs are aiming at us in the South. The North has already sent numerous such "bombs" to the South and is planning to send more.

When diplomats defected and the privileged ones who used to enjoy luxury in Kim Chong-il's palace fled, the North spitefully stated: "If necessary, we will make a brutal and thorough revenge by any means." The human bombs were what the North meant. However, the ROK people are lax and insensitive about security. The ROK political circles, which pay considerable attention to the human rights of Mrs. Aung San Suu Kyi, but keep silent on the human rights of fellow countrymen, are deemed "conscientious." While such self-contradicting sense of security is prevailing, the election is drawing closer. We have much to worry about. We urgently need to make preparations.

**ROK President on DPRK Participation in
Trans-Asian Railway Project**

SK1203084596 Seoul YONHAP in English
0554 GMT 12 Mar 96

[FBIS Transcribed Text] Seoul, March 12 (YONHAP) — "The government will seek cooperation of the nations concerned in persuading North Korea to participate in the Trans-Asian Railway Project agreed upon at the recent Asia-Europe summit meeting in Bangkok."

President Kim Yong-sam made these remarks Tuesday at a luncheon he hosted at Chongwadae [presidential offices] for approximately 200 leaders from organizations representing North Koreans who fled to the South before and during the Korean war (1950-53).

The projected railway will not only traverse the Korean peninsula but also the Eurasian continent, and so can contribute to Korean reunification and the economic development of a united Korea, he explained.

"To achieve a peaceful and democratic reunification, we must be fully prepared for reunification whenever it comes, rather than indulging in time-consuming discussions of unrealistic and precipitant unification theories," he stressed.

The effort to correct historical distortions will help create "a model democratic community in our society" and it will become a force that brings national reunification earlier than expected, he said.

In reference to the recent increase of North Korean defectors, Kim asked that the community of North Koreans help them adjust and adapt as they themselves had to do.

National Unification Minister Kwon O-ki, Home Minister Kim U-sok, Former Prime Ministers Hyon Sung-chong and Kang Yong-hun and former Chief Presidential Secretary Hong Song-chol also attended the luncheon.

**ROK Urges China To Resolve Taiwan Dispute in
Peaceful Manner**

SK1203113796 Seoul YONHAP in English
1129 GMT 12 Mar 96

[FBIS Transcribed Text] Seoul, March 12 (YONHAP) — The government has already urged China through an unofficial diplomatic channel to restrain itself and resolve its dispute with Taiwan in a peaceful manner, a Foreign Ministry official said Tuesday.

Rejecting an opposition leader's charge that the government fails to voice its stand over the heightening tension between China and Taiwan, the official said the

assertion stems from his ignorance of the government's foreign policy programs.

He said no country in the world has ever made any official comment or issued a statement over the China issue. "Even the United States called for China's self-restraint only at a press conference instead of making a formal comment," he said.

Kim Tae-chung, head of the opposition National Congress for New Politics, said the government should disclose its clearcut stand toward the China-Taiwan dispute.

"Many other Asian countries like Japan, Singapore and the Philippines called for a peaceful resolution to the question, but we alone keep mum," Kim said in a speech at a party training session.

Meanwhile, the ruling New Korea Party [NKP] urged Kim Tae-chung not to use diplomatic issues in electioneering.

"Mr. Kim should understand that the government has plentiful information and experts on diplomatic affairs and, therefore, should correct the attitude that he alone knows everything," Kim Chol, spokesman for the NKP election campaign headquarters, said.

He said Mr. Kim should be aware of the political consideration that leads the government to withhold the voicing of its stand over the China issue. "The position of some neighboring countries is one thing and ours is another," Kim Chol said.

**ROK To Provide Loan to Jilin Province for Airport
Expansion Project**

SK0903052596 Seoul YONHAP in English
0442 GMT 9 Mar 96

[FBIS Transcribed Text] Seoul, March 9 (YONHAP) — South Korea has agreed to loan goods worth 10 million U.S. dollars for an airport expansion project in Yanji, Jilin Province, China, a newspaper published in Yanbian reported recently.

Under the agreement signed between the South Korean Government and the Jilin Provincial Government in Changchun, the capital of Jilin Province, on March 2, the loan will be repaid over a period of 20 years with an annual interest rate of 3.25 percent, the newspaper said.

This is the first loan the Jilin Province has ever received from South Korea. The Yanji airport expansion project has been designed to upgrade the airport to international status, and will cost 32 billion won [US\$42 million], it added.

The airport expansion project, along with the Tuman River area development project, is expected to improve the foreign investment climate in Yanbian, which is an area with a large ethnic Korean population that has an autonomous prefectural government in Yanji, the report said.

ROK: Impact of PRC Missile Threat on East Asia Assessed

SK1203070496 Seoul HANGUK ILBO in Korean
12 Mar 96 p 12

[Article by Pak Yon-hae: "PRC Missile Threat's Impact on East Asia"]

[FBIS Translated Text] China's arms threat to Taiwan will serve as an important catalyst for reshaping security issues in East Asia, which remains a potentially unstable zone.

The issue of East Asia's security will be redefined by how the neighboring countries react to the "uncertainty" of China, the only remaining big socialist power. Even though China has pushed ahead with the policy of reform and opening-up and, as a result, achieved an average annual economic growth rate of 9 percent, it continues to pursue ambiguous military and diplomatic lines.

In the aftermath of this incident, the chances are high that the United States will increase its influence on this region. Since President Bill Clinton took office, the United States has reaffirmed that it is a Pacific nation and has strengthened its economic and military cooperation with Southeast Asian countries.

This incident would also further solidify the security alliance between the United States and Japan. U.S.-Japan relations have cooled somewhat with the downfall of Russia, the primary enemy in the Cold War era, and the rape of an Okinawan school girl by U.S. soldiers, but this incident may result in the improvement of U.S.-Japan relations. This would also help strengthen the Japanese right-wing group claim to Japan's right to defense and reinterpretation of clause 9 of the Peace Constitution.

This incident can also touch off a massive arms race among Southeast Asian countries. Until now, nations have been engaged in a military buildup to fill the "power void" following the withdrawal of U.S. troops from Subic Bay Naval Base and Clark Air Force Base in the Philippines. Now that China's threat has become tangible, it is evident that such nations will become even more involved in an arms race.

The unity of the Association of Southeast Asian Nations (ASEAN) is expected to be further cemented. Due to

territorial disputes with China over the Nansha Islands, ASEAN nations have stepped up its restraint against China by allowing Vietnam to join the association and are now moving to strengthen their cooperation with Taiwan. The decision of the Philippines and Singapore to allow Taiwan's Air Force and Marines to use their military bases can be understood in this context.

ROK Editorials on PRC Military Exercises in Taiwan Strait

SK1203082896

[FBIS Report] The following is a compilation of editorials published in ROK vernacular dailies on 12 March on China's military exercises in the Strait of Taiwan.

The moderate HANGUK ILBO carries on page 3 an 800-word editorial entitled "The Taiwan Situation and Our Security." The editorial criticizes the ROK Government for "looking at China's threatening military moves with indifference," and stresses: "We should not remain silent because if China's armed method of solution comes through or is allowed, the ROK's security and interests will be damaged directly." The editorial points to the "great possibility that North Korea, encouraged by the Chinese method, may conduct a missile exercise threatening South Korea." It continues by saying: "The three weapons systems North Korea has and may use in threatening the United States for maintaining its system are the nuclear weapons development, the missile development, and the manufacturing of chemical weapons. The missile threat will be the second method that North Korea may use following its nuclear blackmail which it successfully used for improving its relations with the United States and attaining light-water reactors." The editorial concludes by urging the government to "clearly express our concern about and position against the Chinese military threat," noting that Foreign Minister Kong No-myong's remarks stating that "the aggravation of tensions is not desirable, and the ROK hopes for a peaceful solution to the problem" were "too limited and flat."

The moderate TONG-A ILBO carries on page 3 a 800-word editorial entitled "China Should Stop Posing Armed Threats." The editorial notes: "Tensions in the Strait of Taiwan have been aggravated to a the dangerous level of the brink of war because of the increasing military threat against Taiwan by China and strong countermeasures by Taiwan. This is threatening the security of East Asia and peace in the world." Mentioning that China will not avoid the international community's denunciation if it continues to pose "open military threats" against Taiwan, the editorial urges China to seek measures to "resolve all China-Taiwan issues through dialogue and negotiations as befitted its

position as a permanent member of the UN Security Council, which has primary responsibility of preserving peace in the world." The editorial also stresses: "The ROK Government should clearly demand that China immediately stop posing armed threats that have broken the peace atmosphere in East Asia."

The moderate KYONGHYANG SINMUN carries on page 3 a 600-word editorial titled "Conflict Between the Two Banks' Heading Toward a Crisis." Noting the "uncontrollable expansion of China's armed display" in the Strait of Taiwan, the editorial warns against "the possibility that the situation may develop into a great war not only involving the two sides but also neighboring countries." The editorial states that China is "primarily held responsible for the war atmosphere in the Strait of Taiwan," noting the Chinese leadership is adhering to a hard-line policy in this "transitional period" of operating its "post-Deng Xiaoping system." The editorial criticizes the ROK Government's "exceedingly mild reaction" to the situation in the Strait of Taiwan which "is becoming more serious with each passing day" and urges it to issue "a message superseding its previous comment that it 'will not release any official comment or statement because this matter is an internal issue of another divided nation.'"

The pro-government SEOUL SINMUN also carries on page 3 a 600-word editorial entitled "Economic Preparations Are Needed With the China-Taiwan Conflict." Reminding of "an economic wave that may be caused by military tensions between China and Taiwan," the editorial stresses the need to prepare "measures to minimize its effect to our economy." It notes that ROK barges already have to spend additional time and incur in extra expenses because they have to use roundabout routes now, instead of using direct routes between the ROK and Taiwan. The editorial awakens ROK policy makers to the "great possibility of changes in economic relations between China and Taiwan and in many countries' investment in China" following the China-Taiwan conflict, and urges them to prepare measures to prevent the country from suffering economic losses.

ROK: Trade Volume With Chi. Increased Over 41% in 1995

SK1203085096 Seoul YONHAP in English
0650 GMT 12 Mar 96

[FBIS Transcribed Text] Seoul, March 12 (YONHAP) — Trade volume between South Korea and China stood at 16.54 billion U.S. dollars in 1995, up 41.8 percent from the year before.

The Ministry of Trade, Industry and Energy (MOTIE) said Tuesday that the country exported 9.14 billion

dollars worth of goods to the socialist country last year, and imported 7.4 billion dollars, producing a trade surplus of 1.74 billion dollars, more than twice the 740 million dollar trade surplus recorded in 1994.

The leading exports were petrochemicals, industrial equipment and machinery, while key imports were basic and light industry products, MOTIE officials said.

The officials predicted that South Korean exports to China will increase 33 percent to 12 billion dollars this year, and its imports will soar 35 percent to 10 billion dollars, since China is expected to lower its tariffs on imports in an effort to join the World Trade Organization (WTO) while maintaining its current economic policies.

ROK, PRC To Begin Cooperation in Agricultural Technology

SK0903013996 Seoul THE KOREA TIMES in English
9 Mar 96 p 8

[FBIS Transcribed Text] Korea and China are set to begin full-fledged cooperation in agricultural technology.

The Ministry of Agriculture, Forestry and Fisheries said yesterday that the two nations will sign a memorandum of understanding (MOU), featuring strengthened cooperation and exchanges in the agricultural field.

The MOU will be signed by Vice Minister Cho Il-ho and his Chinese counterpart Zhang Yanxi who is scheduled to visit here March 16.

A ministry official said the two vice ministers will agree on setting up a committee for the promotion of agricultural cooperation between the two nations in the MOU.

"In the MOU, the two nations are expected to agree to conduct joint studies on protecting the rice industry from leafhoppers, which have flown in from China and inflicted damage on domestic rice growers," a ministry official said. The MOU will also focus on seeking ways to exchange genetic information on animals and plants. So far China has kept, secret such information, according to the official.

The signing of the MOU has special meaning in that it heralds the opening of official relations between the two nations in the agricultural sector. There has been no such channel for agricultural cooperation at the governmental level, he added.

ROK, Former Soviet Union 'Almost Agreed' on Far East Siberia Lease

SK1203120496 Seoul YONHAP in English
1134 GMT 12 Mar 96

[FBIS Transcribed Text] Seoul, March 12 (YONHAP) — South Korea and the former Soviet Union almost agreed in the early 1990s on the lease of Far East Siberia by South Korea for 99 years, but the plan was scrapped due to the change of power in Korea, a former prime minister claimed Tuesday.

No Chae-pong, who worked for former President No Tae-u in 1988-91 as his secretary and prime minister, said the lease plan was first conceived at the time of former President Pak Chong-hui but had been shelved until the final years of the USSR due to unripe conditions.

The chief Soviet negotiator for the lease project was then Deputy Premier Yuriy Maslyukov, he said.

While meeting reporters to announce his plan to run in the coming general elections from the Kangnam-A district in Seoul as an independent, No said the idea was to use a vast area of Siberia as a regional economic unit prior to national unification.

"In the lease scheme, we planned to combine our capital and knowhow with the manpower of North Korea and the Korean community in China," he said.

ROK Foreign Minister Invites Egyptian Counterpart To Visit Seoul

SK1203083796 Seoul YONHAP in English
0549 GMT 12 Mar 96

[FBIS Transcribed Text] Seoul, March 12 (YONHAP) — Egyptian Foreign Minister 'Amr Musa, at the invitation of his South Korean counterpart Kong No-myong, will arrive in Seoul Sunday to seek ways of enhancing bilateral economic and political cooperation, Foreign Ministry Spokesman So Tae-won said Tuesday.

It will be the first ever visit to Seoul by an Egyptian Foreign Minister, So said.

Musa will pay a courtesy call on President Kim Yong-sam and meet with Kong to discuss the political situations on the Korean peninsula and the Middle East, as well as coming up with ways to substantially enhance bilateral economic and political cooperation.

Slated to visit through Tuesday, the Egyptian official will sign agreements on investment guarantees, establishment of a policy coordination committee between the foreign ministries of the two countries, and the dis-

patch of a youth service corp of the Korea International Cooperation Agency.

Musa will also meet with Trade, Industry and Energy Minister Pak Chae-yun to discuss increased investment in Egypt by South Korean businesses, the spokesman said.

The Egyptian minister will accompany an Egyptian trade delegation that will meet with South Korean businessmen on business opportunities here.

Seoul and Cairo normalized relations in April 1995, over three decades after both governments exchanged consular offices in 1961.

Cairo has maintained good relations with Pyongyang since establishing full diplomatic relations in 1963.

Egypt was reluctant to normalize relations with South Korea until after the death of North Korean leader Kim Il-song in July 1994. Kim had dispatched North Korean Air Force pilots to help Egypt in a war against Israel during the early 1970s.

Bilateral trade volume reached 585 million U.S. dollars last year, with South Korea exporting 470 million dollars worth of goods to Egypt while importing 115 million dollars.

Major South Korean exports to Egypt include electronic goods, ships, automobiles, tires and tubes. Egyptian imports here include oil and textile products.

As of the end of 1995, South Korean businesses have invested 50 million dollars in the Middle Eastern nation, with Seoul providing Cairo with 17.2 million dollars in grants between 1989 and 1995.

Direct air routes were launched between Seoul and Cairo in October 1993.

ROK: Italian Ambassador Comments on ASEM

SK1203073596 Seoul YONHAP in English
0603 GMT 12 Mar 96

[FBIS Transcribed Text] Seoul, March 12 (OANA-Yonhap)—Asian nations must be seen as single entities [as received] and not multilateral groups in such government-level contacts as the recent Asia-Europe Meeting (ASEM) in Bangkok, Italian Ambassador to Seoul Guido Martini stressed Tuesday.

Governments in Asian countries, including South Korea's, have a misleading tendency to think of themselves as a group rather than single entities, Martini said in an interview with YONHAP News Agency.

"We have to be careful to avoid any confusion between a group of countries as such and a group of countries as

a multilateral organization," said the ambassador, whose nation is the European Union's (EU) chair-country for the first half of this year.

Members of multilateral Asian organizations, including the Asia-Pacific Economic Cooperation, unlike their EU counterparts, are not legally bound or committed to the groups, Martini asserted.

Martini said, however, that ASEM will prove 'extremely useful' in promoting ties among Asian nations, saying that they can at least collaborate, if not cooperate, with each other.

On President Kim Yong-sam's role during the Bangkok ASEM meeting, Martini said, "Kim has had the real sensitivity in arguing for the political importance of ASEM."

Kim expressed the most clear and specific proposals during the conference, he said, saying that Kim's proposed trans-Asian railroad that would eventually connect Russia and Europe is feasible.

He added that "with Korea can expect to assume a greater leadership in the Asia-Pacific region in light of its expected membership in the Organization of Economic Cooperation and development and its recent inclusion into the United Nations.

Martini predicted that tangible results of ASEM dialogue will not become apparent until the third meeting in Seoul in 2000, and that what happens in between such gatherings is crucial, especially for those involved in the World Trade Organization.

"This meeting at Bangkok was just a 'round table'," he said, "and the round table will branch out into other areas."

Because the Bangkok meeting was ASEM's first, the ambassador said Europe chose to exercise extreme caution on the sensitive human rights issue in order to avoid the possibility of creating a confrontational atmosphere in Asia.

"We wanted to avoid undermining the first ASEM meeting," he noted, and added that the EU did not want the human rights issue to turn into a political debate during the talks.

Martini said, "We have not given up on the human rights issue," however, and stressed that it would come in time as part of a gradual process that will also require that security concerns in Asia be addressed as well.

ROK, UN Promoting Training Program on ROK for Foreigners

SK1003083196 Seoul YONHAP in English
0548 GMT 10 Mar 96

[FBIS Transcribed Text] Seoul, March 10 (YONHAP) — An international training program on South Korea's sociopolitical development model for senior officials of developing countries is being promoted between the South Korean Government and the United Nations, a government official said over the weekend.

A senior educational advisor to the United Nations secretary general had a series of meetings on the proposed training project last week with Government Administration Minister Cho Hae-yong, Administration Reform Committee Chairman Pak Tong-so and related officials from the Ministries of Finance and Economy and Foreign Affairs.

An accord in principle was reached at the meetings to materialize the proposed project, according to the source.

Under the training program, which would be operated for two years beginning in coming October, a group of approximately 30 senior officials from developing countries in Southeast Asia, East Africa, South Africa, Latin America, Mideast and ex-East European countries would take part in workshops and policy debates.

The program would focus on case studies of South Korea, which has achieved bloodless evolution from an authoritarian sociopolitical structure to a democratic one, the source said.

How long would the training of each group last was not known.

The United Nations and the Government Administration Ministry are also promoting a formula calling for the creation of a good governance center at the central officials training institute, the Graduate School of Public Administration at Seoul National University or National Defense College.

The proposed center would help not only senior civil servants, but also legislators, business leaders and senior journalists better adapt themselves to the new social, political and economic environment of the 21st century, the source said.

ROK Ex-Premier No Chae-pung Declares Independent Candidacy

SK1203070196 Seoul YONHAP in English
0521 GMT 12 Mar 96

[FBIS Transcribed Text] Seoul, March 12 (YONHAP) — Former Prime Minister No Chae-pung declared

Tuesday he will run as an independent candidate from the Kangnam-A District of Seoul in the April 11 general elections.

"I decided to run in the elections to rally a new political force based on civic groups because I can no longer let the country drift due to the incumbent government's lack of principles, capability, and vision," No said in a news conference at his office.

No, who served under former President No Tae-u, bolted from the ruling New Korea Party last February, due to disagreements with the policies of the current administration.

ROK: NCNP Wants NKP To Take Action on 'Kang Sam-chae Watch' Case

SK1003084296 Seoul THE KOREA TIMES in English
10 Mar 96 p 2

[FBIS Transcribed Text] The major opposition National Congress for New Politics said yesterday that it will wait one more day for ruling New Korea Party Chief Campaign Manager Yi Hoe-chang to take on the so-called "Kang Sam-chae watch" case.

NCNP spokesman Kim Han-kil asked the ruling party Friday to take punitive action against NKP Secretary-General Kang, citing a vernacular daily report that watches with his name inscribed have been disseminated to members of his electoral district of Masan, Kyongsang-namdo.

But Kang strongly denied the reports, saying that only a small number of watches worth 20,000 won were given to wedding couples and graduates of local schools as gifts, which is not out of the boundaries of the election law.

However, the local election management committee started an investigation to see if he crossed the line.

ROK: NKP's Kang Sam-chae Apologizes for Distribution of Watches

SK1203021196 Seoul THE KOREA HERALD
in English 12 Mar 96 p 2

[FBIS Transcribed Text] Ruling New Korea Party Secretary-General Rep. Kang Sam-chae, who is accused of being involved in an alleged illegal campaign, offered an apology yesterday.

"Be it intentional or not, I apologize for having caused trouble over the distribution of wrist watches," Kang, also a campaign manager of the ruling party, said in a meeting of party officeholders.

Kang is suspected of giving wrist watches to voters as gifts in violation of the election law.

The nation's top election watchdog, the Central Election Management Committee, which started probing into the watch scandal last Saturday, was scheduled to announce the results of the investigation later yesterday.

Despite Kang's apologies, however, opposition parties stepped up their offensive against the ruling camp over the wrist watch scandal.

They demanded the ruling party secretary-general resign as an election campaign manager.

"Kang should resign for his wrongdoing regardless of whether or not he did it on purpose," said Kim Han-kil, a spokesman of the main opposition National Congress for New Politics (NCNP).

Rep. Chong Tae-chol, a campaign manager of the NCNP, urged his counterpart from the ruling party, Yi Hoe-chang to take action against Kang.

Two minor opposition parties also demanded Kang's dismissal.

"We urge Kang to stop making wordy excuses about his illegal act and step down as a campaign manager," said Kim Hong-sin, a spokesperson of the minor opposition Democratic Party.

ROK: NCNP Denounces Kim Young-sam for Election Law Violations

SK1003091196 Seoul THE KOREA TIMES in English
10 Mar 96 p 2

[FBIS Transcribed Text] The opposition National Congress for New Politics (NCNP) denounced President Kim for intervening in the ruling party's campaign for the coming April 11 elections in an unlawful manner.

Pak Hong-yop, vice-spokesman for the party's election campaign committees said, "Our party has repeatedly pointed out that it is a direct violation of the election law for President Kim Young-sam to make phone calls from Chongwadae to NKP [New Korea Party] candidates to boost their campaigning morale."

He questioned how President Kim could possibly do such a thing while trying to stop the heads of local governments, lots of whom are members of opposition parties, from involving themselves in the elections.

Pak said if the President wants to make phone calls to the candidates of his party, he should do it from his NKP office.

Meantime, the NCNP urged NKP Campaign Manager Yi Hoe-chang to explain his position on this matter as he was renowned for putting emphasis on the neutrality

of government officials when he was the chairman of the Central Election Management Committee.

ROK: NCNP To File Suit Against Kim Yong-sam, Yi Hoe-chang

SK1203035696 *Seoul THE KOREA TIMES in English*
12 Mar 96 p 2

[FBIS Transcribed Text] The major opposition National Congress for New Politics [NCNP] declared yesterday that it will bring a lawsuit against President Kim Yong-sam and the ruling New Korea Party [NKP] chief campaign manager Yi Hoe-chang on charges of violating the integrated election law.

Under the law, no government officials are allowed to be involved in election campaigns.

The NCNP election campaign committee spokesman Kim Han-kil said, "It is a direct violation of the election law for President Kim to phone ruling party candidates, asking them to exert more in their campaigning, and discuss campaign strategies with chief campaigner Yi because Kim is the head of the government."

As for the planned legal suit against Yi, who is not a public servant, he said, "We decided to sue him as an accomplice to President Kim's unlawful activity because Yi discussed the NKP's election campaign strategies with Kim at the presidential house of Chongwadae."

The NCNP originally planned to initiate legal action against the two yesterday. But the party announced later that it will take the action today because it would have been overshadowed by the historic trial of former Presidents Chon Tu-hwan and No Tae-u yesterday.

So far, NCNP lawmakers and local members have filed 11 lawsuits against the NKP for violating the election law, but this is their first attempt at suing President Kim.

However, NKP campaign committee spokesman Kim Chol denounced the NCNP's move as a "habitual" political attack.

He said, "There is nothing wrong with their meetings as President Kim is the head of the party."

The NCNP is the only one trying hard to make a situation where a party president meets with his party's campaign manager appear illegal."

"Such a political attack contributes nothing toward achieving fair elections," he added.

ROK CEMC Asks Parties To Cooperate in Making Elections Fair

SK1203100196 *Seoul YONHAP in English*
0818 GMT 12 Mar 96

[FBIS Transcribed Text] Seoul, March 12 (YONHAP) — The Central Election Management Commission (CEMC) invited campaign chiefs from the ruling and opposition parties to the CEMC office in Kwachon Tuesday, and asked them for their cooperation to help make sure that the upcoming elections are fair.

The election and campaign watchdog insisted that spokesmen from all parties refrain from making malicious statements or using slanderous propaganda that would taint the current fair election campaign atmosphere.

Rep. Kang Sam-chae, secretary-general of the ruling New Korea Party, Rep. Cho Sun-hyong, secretary-general of the main opposition National Congress for New Politics, Rep. Che Chong-ku, secretary-general of the Democratic Party and Rep. Han Yong-su, floor leader of the United Liberal Democrats, went to Kwachon to the CEMC meeting.

They were originally supposed to adopt a joint resolution that would pledge their cooperation and support for fair elections, but opposition party officials opposed the idea by asserting that securing the practical conditions required for fair campaigning and elections is more important than joint declaration.

The three opposition parties indicated that because the government and the ruling party both have money and power, they should take responsibility for creating conditions that jeopardize the fair election campaign atmosphere.

They pointed out that the possibility of police investigations and prosecution for illegal campaign activities also gives the ruling party an unfair advantage over opposition parties.

Opposition party officials urged the CEMC to secure the conditions required for fair competition and warned against unfair investigations.

They also asserted that presidential intervention in election oversight or campaign activities is a prime example of an unfair political process, and urged the CEMC to send a letter to the chief executive asking him not to intervene in the election process.

The ruling New Korea Party proposed that a Pan-national Fair Election Council be formed. The NKP said that the CEMC, each party, and civil organizations should work together to form the council.

ROK: KEDO To Guarantee KEPCO's Legal Status as Main LWR Contractor

SK1203085496 Seoul YONHAP in English
0702 GMT 12 Mar 96

[FBIS Transcribed Text] Seoul, March 12 (YONHAP) — The Korean Peninsula Energy Development Organization (KEDO) and the Korea Electric Power Corp. (KEPCO) have agreed soon to take steps that guarantee the latter's legal status as the prime contractor for the light-water reactor project in North Korea.

The accord was reached Tuesday between KEDO Executive Director Paul Cleveland and KEPCO President Yi Chong-hun when they met at the Lotte Hotel in downtown Seoul to discuss a commercial contract between the two organizations, a government source said.

Recognizing that it is inevitable to split the commercial contract into more detailed parts for the sake of a smoothly flowing reactor project, the two reportedly agreed to work out a formula that does not undermine the principle that South Korea will play a key role in the project by supplying South Korean-model reactors to the North.

The upcoming KEDO Executive Board meeting in New York will, therefore, produce a written agreement that recognizes KEPCO as the prime contractor, and inform the South Korean electric power monopoly how to proceed with the project, the source said.

It is expected, however, that there will be considerable disagreement, since Japan, while recognizing KEPCO's legal status as the prime contractor, is demanding that its role in the contract be specified.

Once a written agreement specifying the legal status of KEPCO is signed, the electric firm will be able to award sub-contracts, and the reactor project will be expedited, the source added.

Paul Cleveland, the new American KEDO executive director, left Seoul Tuesday afternoon, to return home after a four-day visit.

ROK Businesses Interested in Participating in GMS Projects

SK1203090296 Seoul YONHAP in English
0741 GMT 12 Mar 96

[FBIS Transcribed Text] Seoul, March 12 (YONHAP) — The Federation of Korean Industries (FKI) decided to form a special committee on the development of the greater Mekong subregion (GMS) during a regular meeting of top executives of business groups Tuesday.

The decision was made as part of the business community's response to an agreement reached during the first Asia-Europe Meeting (ASEM) in Bangkok.

The FKI leaders agreed that a private-public joint organization should be established to study GMS potential, because it would be difficult for the private sector alone to take on a multilateral project involving six nations and 15 billion U.S. dollars.

At the Bangkok summit, President Kim Yong-sam expressed a strong desire to participate in the Mekong subregion development project by disclosing his plan to form a joint private-public committee in Korea.

After the proposed joint committee is formed, FKI plans to request that the government create an international ASEM fund for the GMS program, or to expand its grant-type aid to GMS countries — Cambodia, Myanmar (Burma), Thailand, Laos, Vietnam and China — by making use of the Economic Development Cooperation Fund (EDCF).

In addition, FKI will take an active role in the "Seoul forum on investment opportunities in the GMS," scheduled for March 18, that will be attended by six economy-related ministers from GMS nations.

Reflecting Korean businesses' interest in the GMS project, some 200 business leaders from 170 firms and economic organizations submitted applications to participate in the Seoul forum on Monday.

The International Contractors Association of Korea (ICAK) and business giants including Samsung, Hyundai and LG are currently conducting feasibility studies for the GMS project.

The business community's interest in the Seoul forum, which is co-sponsored by FKI and the Asian Development Bank (ADB), stems from their expectation that the ministers will be able to provide them with a wide range of reliable information concerning the GMS investment.

ICAK has already targeted 25 of the 94 subregional projects for which the ADB has already conducted feasibility studies at a cost of 73 million dollars.

These include eight road, three railway, four power generation and transmission, eight water transportation, and three airport projects.

ROK MFE Reports Budget Surplus of 1.9 Billion Dollars in 1995

SK0903020996 Seoul YONHAP in English
0141 GMT 9 Mar 96

[FBIS Transcribed Text] Seoul, March 9 (YONHAP) — The Finance and Economy Ministry (MFE) reported

Saturday a general-account budget surplus of 1.43 trillion won [US\$1.9 billion] for 1995, with 52.93 trillion won [US\$69 billion] in revenue and 51,498.1 billion won [US\$67 billion] in expenditures.

Of the surplus, 1.02 trillion won [US\$1.3 billion] will be carried forward to this year's budget, leaving a 406.5 billion won [US\$527 million] net surplus for last year.

There was 244.4 billion won [US\$317 million] in non-tax revenue, less than what was expected due to a decrease in tax penalty collection. The 440.6 billion won [US\$572 million] tax revenue, however, was more than expected, thanks to the brisk business activity last year. Unappropriated expenditure budgets amounted to 210.3 billion won [US\$273 million].

The budget surplus will be used to help pay the government debt and compensation for citizen losses and damages, the ministry said.

There was 2.13 trillion won [US\$2.8 billion] in uncollected taxes, 3.6 percent of the 58.85 trillion won [US\$76 billion] in taxes assessed last year, compared with the 1.66 trillion won [US\$2.2 billion], or 3.3 percent of total tax assessments in 1994.

The amount of uncollected taxes increased from 368.8 billion won [US\$478 million] (1.0 percent) in 1991 to 632.5 billion won [US\$821 million] (1.8 percent) in 1992 and 1.27 trillion won [US\$1.6 billion] (2.9 percent) in 1993.

Protests against unfair tax assessment and business failures are the main reason the government decided to stop trying to collect on certain assessments, according to the ministry.

In the 23 special accounts, total revenue amounted to 42.44 trillion won [US\$55 billion] and expenditures amounted to 38.13 trillion won [US\$50 billion] for a surplus of 4.30 trillion won [US\$5.6 billion], including the 2.39 trillion won [US\$3.1 billion] that will be carried forward to this year's budget (figures as received).

ROK Textile Exports Reportedly Up 6.4% in 1995

SKD903091396 Seoul YONHAP in English
0612 GMT 4 Mar 96

[FBIS Transcribed Excerpt] Seoul, March 4 (YONHAP) — South Korean textile exports totaled 18.38 billion U.S. dollars last year, a 6.4 percent increase from the year before, the Korea Federation of Textile Industries (KFTI) said Monday.

Raw materials accounted for 996 million dollars of the total, up 36.6 percent from 1994, while textile yarn exports were estimated at 1.33 billion dollars, up 26 percent, woven fabrics were valued at 9.95 billion

dollars, up 13.2 percent, and finished products worth 6.1 billion dollars, down 8.8 percent, KFTI officials explained.

Exports to the United States were down 12.6 percent to 2.71 billion dollars and those to Japan fell 4.5 percent to 2.62 billion dollars.

Outbound shipments to China, however, soared 46.3 percent to 1.82 billion dollars, and those to the European union were up 10.9 percent to 1.32 billion dollars, respectively.

South Korea imported 6.49 billion dollars worth of textiles last year, up 24.3 percent from the year earlier, the official noted.

Raw material imports were valued at 1.55 billion dollars, up 21.1 percent, textile yarn imports were worth 1.57 billion dollars, up 21.5 percent, woven fabrics cost 1.93 billion dollars, up 14.4 percent, and finished products were valued at 1.42 billion dollars, up 49.9 percent, the officials said. [passage omitted]

ROK: FKI Report Urges Financial Deregulation, Lower Interest Rates

SK1203045096 Seoul THE KOREA TIMES in English
12 Mar 96 p 8

[FBIS Transcribed Text] The Korean business community has called for speedier deregulation in finance and lower interest rates so as to regain some of the lost competitiveness in the international marketplace.

In a report, the Federation of Korean Industries (FKI) said yesterday that financing costs in Korea against the turnover is about four to five times higher than those in Japan.

The report showed that Korean companies were spending 5.74 percent of the total turnover in financing costs, whereas enterprises in Japan were spending just 1.74 percent. The average interest rates on loans, it revealed, was 12.08 percent, considerably higher than the 5.74 percent in the neighboring country.

The report was drawn up as a compilation of conditions experienced by financing executives and top officials of leading member companies of the nation's largest private economic organization.

"When the pure financing cost is taken into consideration, the incurred costs are 30 times higher than in Japan," one FKI official explained.

The poor environment here for raising funds has for years eaten away at the competitiveness of Korean businesses, he added.

At the same time, most of the executives who contributed to the report said there has been little change in finance regulations.

"In areas such as loan management, raising funds through the stock market and securing funds overseas, there has been really no deregulation to speak of," said senior company officials.

In addition to deregulation and lower interest rates, the government must make it possible for enterprises to access more loans on credit.

ROK Finance Ministry To Launch KEBF for European Investors

*SK1203092696 Seoul YONHAP in English
0759 GMT 12 Mar 96*

[FBIS Transcribed Text] Seoul, March 12 (YONHAP) — The Finance and Economy Ministry announced Tuesday that a bond investment fund will be launched for European investors for investment in the Korean bond market.

Named the Korea Europe Bond Fund (KEBF), the closed-end investment firm will initially have a capital of 100 million U.S. dollars and list its shares on the London Stock Exchange, the ministry said.

The lead manager for the launching of the KEBF will be selected next week from domestic brokerage houses, based on their fund management ability and prior experience in international capital markets.

Those already having served as lead managers of established investment funds for foreign investors, including the Korea Fund and the Korea Europe Fund, however, will be excluded to give other domestic brokers every opportunity to manage funds in international markets.

To complete the KEBF's inauguration, the fund's lead manager will offer to sell its shares to European investors in September. The fund will then begin investing in the Korean bond market, chiefly in long-term bonds.

Meanwhile, the ministry has changed the portfolio ratios of the forthcoming Korean bond fund for American investors. For small firm debentures, the portfolio ratio has been lowered from a minimum of 40 percent to 20 percent, and for Industrial Bank of Korea bonds, the ratio has been raised from a minimum of 30 percent to 50 percent.

ROK: TRADP Commission Set for Establishment in Apr

*SK0903100696 Seoul YONHAP in English
0927 GMT 9 Mar 96*

[FBIS Transcribed Text] Seoul, March 9 (YONHAP) — The Tumen River Area Development Project (TRADP) Commission, which is comprised of South and North Korea, China, Russia and Mongolia, is to be established some time next month.

A government official said Saturday, "The commission is set to be launched next month in accordance with a decision made at the sixth meeting of the TRADP Planning and Management Committee (PMC) held in New York in December."

To be consisted of 20 vice minister-level officials from the five nations, the official noted, the TRADP Commission will have its first session in Beijing next month to appoint a chairman nation and a secretary general. The meeting will also discuss such issues as the order of investment priority and ways to finance the multilateral project, he added.

Prior to this, the five TRADP participants will have a working-level TRADP meeting in Sobong, North Korea, on March 24 to discuss an investment plan for the area's communications and infrastructure, the official stated.

He said it will be the first time for the TRADP meeting to be held in the North's Najin-Sonbong Free Economy and Trade Zone, although the Third PMC Meeting was held in the socialist country in May 1993.

Meanwhile, the five TRADP members concluded three agreements in New York in December — the agreement on the establishment of the Consultative Commission for the Development of the Tumen River Economic Development Area and Northeast Asia, the memorandum of understanding on environmental principles governing the Tumen River Economic Development Area and Northeast Asia, and the agreement on the establishment of the Tumen River Area Development Coordination Committee.

ROK: Economic Effect of PRC Military Exercise on ROK Firms Noted

*SK1203014296 (Internet) The Digital Chosun Ilbo
WWW in English 1257 GMT 11 Mar 96*

[FBIS Transcribed Text] Some domestic companies are expected to suffer damage if China holds military exercises in the Strait of Taiwan. Marine companies, in particular, have been affected ordering their ships to detour away from the affected area at least 30

miles increasing cost by 2,000 dollars and adding 2 hours to shipping times. If the situation continues, those companies in competition with Taiwan, such as electronics, heavy industry and textiles, will benefit.

LG Electronics has already been trying to change suppliers from Taiwan to South East Asia and Europe. Another negative is that export to Taiwan will suffer and the energy supply could be affected.

The Ministry of Trade, Industry and Energy said that a prolonged situation would affect exports of home electronics and semi-conductors to Taiwan while the trade deficit with Japan would increase due to the change of suppliers from Taiwan to Japan.

Tourism between Korea and Taiwan has been affected as well with tour operators announcing cancellation.

ROK To Revise Law on Employment, Management of Foreign Workers

SK1203040796 Seoul YONHAP in English
0216 GMT 12 Mar 96

[FBIS Transcribed Text] Seoul, March 12 (YONHAP) — The South Korean Government is drafting a bill that seeks to allow needy small businesses to hire foreign workers as full-fledged employees.

The bill, governing the employment and management of foreign workers, will be submitted to the National Assembly this year and, if approved by the legislature in its regular session this year, take effect in July next year, the Labor Ministry said Tuesday.

The legislation of the new law basically aims at ending the current "industrial trainee system" which has often been criticized as the cause of "mass production" of illegal aliens and allegedly inhumane treatment at some workplaces, an official at the ministry said.

South Korea currently recruits foreign workers to come here as industrial trainees for small businesses. Of 39,904 foreign "industrial trainees" recruited last year, 11,376, or 28.5 percent, have abandoned workplaces to which they were originally assigned. All deserters, except 2,831 who have left the country, are now staying here illegally.

A ministry official said, "We have already agreed with the concerned ministries including the Ministry of Finance and Economy and the Ministry of Trade, Industry and Energy, to enact the law. And we are going to end the current industrial trainee program which has caused many problems."

ROK Submits Application to UNESCO To Join IICAS

SK1203063996 Seoul YONHAP in English
0456 GMT 12 Mar 96

[FBIS Transcribed Text] Seoul, March 12 (YONHAP) — South Korea submitted its application to the United Nations Educational, Scientific and Cultural Organization (UNESCO) to join a UNESCO-sponsored institute that promotes Central Asian research cooperation, a Foreign Ministry official said.

The International Institute for Central Asian Studies (IICAS) was created in July 1995 to promote joint research activities and cultural exchanges between Asia and Europe in Central Asia, and to enhance cooperation between Central Asian states.

The membership of the institute includes China, Iran, Pakistan, India, Turkey, Russia, Kirghizstan, Kazakhstan and Uzbekistan.

South Korea has already been given the opportunity to appoint a South Korean deputy director of the institute, according to the official.

ROK MOFA Concerned With Large Number of 'Allegedly' Lost Passports

SK1103024996 Seoul YONHAP in English
0237 GMT 11 Mar 96

[FBIS Transcribed Text] Seoul, March 11 (YONHAP) — The Ministry of Foreign Affairs (MOFA) said Monday that it will make up a "special treatment" list of those who frequently apply for replacement passports to prevent such passports from being used for illegal purposes.

MOFA spokesman So Tae-won said that over 24,000 people lost their passports last year while traveling abroad, with many passports being abused by international criminal organizations. More than 4 million people traveled abroad last year.

A total of 17,179 travelers lost their passports in 1994, 14,331 in 1993, 13,337 in 1992, and 8,079 in 1991.

The increasing number of lost South Korean passports has prompted immigration authorities in foreign countries to reinforce checks on South Korean passport holders, he said.

Officials said that the new computer system of the Foreign Ministry issues a replacement passport just a few days after an application, and that some people have taken advantage of the revised system.

MOFA has been informed that South Korean passports are being sold in quantity abroad for illegal use, the

sources said, and that the ministry will accordingly have to reconsider its passport reissuance system, probably the fastest in the world.

ROK BAI Chief 'Embroided' in Controversy Over Investments

SK1003091496 Seoul THE KOREA TIMES in English
10 Mar 96 p 2

[FBIS Transcribed Text] No U-sop, secretary general of the Board of Audit and Inspection (BAI), is embroiled in a controversy over his personal assets, in particular an increase in them that allegedly came from his stock investments made with money borrowed from financial institutions.

No reportedly tendered his resignation to Yi Si-yun, BAI chairman, taking responsibility for the stock transactions, which were supposedly made by his wife.

The BAI chairman asked No to withdraw his resignation, citing that his assets increased by the stock deals was a mere 9.4 million won and he had no knowledge of his wife's transactions.

The fact was revealed by the Civil Servants Ethics Committee that issued Feb. 29 a white paper on changes in personal assets of senior government officials during the past year.

The current Public Servants Ethics Law stipulates the committee disclose assets of high-ranking government officials every year after receiving voluntary reports from them and perusing the contents.

According to the committee, the BAI secretary general, the second highest official at the inspection agency, reported that his assets increased by 9.4 million won, which was accrued in the course of stock transactions worth 90 million won during the past year.

After the mass media reported the fact, No came under public rebuke.

What was at issue was the appropriateness of a senior official in charge of auditing and inspecting officialdom engaging in stock deals with loans. It is the first time that a high-ranking government official tendered a resignation in connection with his assets while in office since President Kim Yong-sam enforced a mandatory public officials' asset registration system in 1993.

ROK: No Tae-u Gives 'Evasive' Answers at Trial Session

SK1203062896 Seoul YONHAP in English
0304 GMT 12 Mar 96

[FBIS Transcribed Text] Seoul, March 12 (YONHAP) — No Tae-u repeatedly gave unclear and evasive

answers when the prosecution asked about his role in the 1979 army mutiny, while on trial Monday alongside co-defendant Chon Tu-hwan.

Whenever a difficult question was asked, he said, "I don't remember." And "maybe, but I can't remember."

When asked if he had been a member of Hana-hoe, a private club of politically-oriented active army officers he and Chon once headed, he replied, "Maybe," causing people in the gallery to burst out laughing.

When pressed to explain the nature of the club, he said, "It was a fraternity in every respect, and such clubs are found not only in our country but also in every other country of the world."

When asked about the then new military elite's suspicion that then Army Chief of Staff Gen. Chong Sung-hwa was involved in the assassination of President Pak Chong-hui in 1979, No replied, "When the commander-in-chief of the armed forces is slain, if the chief of staff was to assume responsibility he must have cut his own stomach open and died."

When asked if he had asked for his fellow generals cooperation in the apprehension of Gen. Chong, he said emphatically, "We escorted him," adding, "I'm not an investigator and I don't think the term, apprehension, is fitting in this case."

When asked about the arrest of Gen. Chong without prior approval from the president, No said, "There was no limit to the investigative powers of the commander of the Joint Investigation Headquarters at the time."

"If such an event had taken place in the days of the Sixth Republic, would you, as president, have tolerated it?" the prosecutor asked.

"Of course, I would," he replied in a high pitch of voice.

He claimed, "At the time, the Army Headquarters was the rebellious force... the army chief of staff had already been arrested and the defense minister had disappeared. Under the circumstances, I think, our side was qualified to assume command of the Army because we were close to the president."

"On what grounds do you say your side was close to the president?"

When answering this question, however, he just mumbled.

When asked about the void made in western front forces after his Ninth Army Division moved to Seoul to join the coup, No argued, "If there had been an armed provocation by North Korea at that time, it would have

been much faster to move the division to the frontline from its mobilization point (than from its base camp)."

When asked whether he admitted playing a leading role in the Dec. 12 army coup, No replied, "I was only serving the nation at a time of crisis. How could that be considered a rebellion? Otherwise, how could I have been elected president?"

ROK: Opening Session Action in Chon, No Trial Summarized

SK1103133496 Seoul YONHAP in English
1115 GMT 11 Mar 96

[FBIS Transcribed Text] Seoul, March 11 (YONHAP) — The first session of the trial of former presidents Chon Tu-hwan and No Tae-u and 14 co-defendants charged with playing key roles in the Dec. 12 and May 18 coup adjourned at 6:15 pm.

Because of lengthy initial speeches by defense lawyers, the prosecution could question No Tae-u only at Monday's session.

Prosecutor Kim Sang-hui charged that Chon, No and the group apprehended Army Chief of Staff Chong Sung-hwa without any presidential permit with the intent of usurping on control over the armed forces.

"The defendants then committed a coup by trampling down upon the Kwangju democratization uprising by force of arms," he said.

Lawyers, however, contended that Gen. Chong's arrest was a lawful act of investigation, and that the mobilization of troops by their clients was to "suppress a mutiny by those forces which sided with Chief of Staff Gen. Chong."

"Since the execution of the right to investigation was the inherent function of investigation authorities, there was no need to obtain a presidential permit in the arrest of Chong," one of the lawyers said.

In his reply to direct prosecution questioning begun at 3 pm, No Tae-u said Gen. Chong's arrest was unavoidable since Chong was the top military officer under suspicion of getting involved in the assassination of president Pak Chong-hui in October 1979.

No asserted that they meant to escort away, not forcibly carry away, Gen. Chong since "we had something to inquire of him about."

Whenever prosecutor Kim posed sensitive questions, No shunned replies by saying, "Well...uh..." "I don't know," "I don't remember" or "I never heard of it."

Initially it was assumed that the prosecution would question Chon Tu-hwan first. But, the prosecution said

at the beginning of the trial they would question No, Hwang Yong-si and Yu Hak-song first.

When Chon Tu-hwan whispered to nearby No during the prosecution questioning, prosecutor Kim sternly told Chon not to have talks with any of the co-defendants during prosecution questioning.

At first, the court planned to have the prosecution question all the 13 defendants involved in the Dec. 12 incident at the session.

"Because of the lengthy initial speeches by lawyers, there has been a setback in the trial schedule," Presiding Judge Kim said, asking both prosecutors and lawyers to try to make their speeches briefly from next session.

The next session is slated for 10 am March 18.

ROK: Alleged Correspondence Between Chon, No Under Investigation

SK1203070096 Seoul YONHAP in English
0618 GMT 12 Mar 96

[FBIS Transcribed Text] Seoul, March 12 (YONHAP) — The Justice Ministry has begun investigating allegations that former Presidents Chon Tu-hwan and No Tae-u have exchanged letters to urge each other to take a unified stance in the public trial examining the Dec. 12 and May 18 incidents.

Officials at Anyang Prison and Seoul Detention House, where Chon and No have been detained, will be investigated.

"The law does not allow inmates to exchange uncensored mail, and the two former heads of state have been detained at separate institutions to prevent them from engaging in correspondence," a Justice Ministry official said. "If the allegation turns out to be true, the people involved will be punished according to law."

Chon Sang-suk, Chon's defense attorney, was quoted as saying Sunday, "I understand that Chon sent a letter to No in January while staying in the National Police Hospital, that said, 'We're as good as dead. Let's face the trials in a dignified manner,' and he received a reply. The fact that No took a more aggressive attitude at his third trial, than at his previous trials, isn't unrelated to the exchange of letters."

The attorney denied the report Monday, however, saying "I've never made such remarks."

The investigation is nevertheless underway because authorities suspect that the defense attorney made the denial, after realizing that the alleged correspondence between Chon and No violates the law.

ROK: Kang Min-cho 'Poised To Sue' Chon Tu-hwan's Sons

SK1103102696 Seoul YONHAP in English
0849 GMT 11 Mar 96

[FBIS Transcribed Text] Seoul, March 11 (YONHAP) — Kang Min-cho, the father of Kang Kyong-tae, a Myongji University student beaten to death by riot police during an anti-government demonstration in April 1991, is reportedly poised to sue the sons of former president Chon Tu-hwan for assault.

Kang was mobbed and beaten by Chon's three sons and five or six aides to the former president while he was yelling "bloodthirsty felons" at Chon and other defendants implicated in the May 18 and Dec. 12 incidents when they were leaving a courtroom soon after the first session of the public trial of their treason charges adjourned at 12:05 Monday.

He was immediately taken to Sadang Hospital where doctors issued a diagnosis indicating that Kang's injuries included contusions on the left side of his face, neck and back that would take more than three weeks to heal completely.

A Buddhist monk, who helped take him to the hospital, said, "Kang is going to sue all of Chon's sons for assault soon."

The monk added that Kang is currently feeling a lot of pain from his back injury.

ROK Plans To Launch 24-Hour English-Language Broadcasting Service

SK2702052096 Seoul YONHAP in English
0244 GMT 27 Feb 96

[FBIS Transcribed Text] Seoul, Feb. 27 (YONHAP) — The government is planning to launch a 24-hour English-language broadcasting service for some 328,000 foreigners residing in South Korea, Information Minister O In-hwan said Tuesday.

O said that the government will form in the not-too-distant future an organization, dubbed "Council for International Broadcasting," in preparation for the English broadcasting service.

The council will produce programs featuring Korea for distribution in the United States and Asian countries.

He disclosed the plan during a breakfast meeting of the Yoido Club, a fraternal group of senior broadcasters. During the meeting at the 63 Building in Yoido, he spoke on the theme of "Visions for Reform."

"The programs to be produced by the council will be supplied to enterprises or overseas Korean residents when they engage in broadcasting business in foreign countries, starting from the end of this year in case of the United States and next year in case of Europe," he said.

Burma

Burma: SLORC Said Changing Attitude to Market Economy

BK1203061096 Bangkok BANGKOK POST (INSIDE INDOCHINA Supplement) in English 12 Mar 96 p 3

[Report by Suphaphon Kanwirayothin]

[FBIS Transcribed Text] Rangoon — The Rangoon junta is gradually lifting up the lid on private sector growth, showing signs of having changed its attitude towards a market economy.

However, the State Law and Order Restoration Council [SLORC] has made clear its intent to keep key sectors, such as rice milling and exporting, under its control for the foreseeable future.

Junta leaders have taken note of Vietnam's efforts to use cash buried in backyards, stashed under mattresses and generated in the black economy to lift the economy out of doldrums.

The potential was identified by Serge Pun and his brother Martin, whose First Myanmar [Burma] Investment [FMI] Co. Ltd. became four years ago the first public company whose shares have been held and traded.

Martin Pun said: "Serge was invited to come back in 1989. After a year of research, he concluded that there's a large amount of money in this country that has not yet been mobilized.

"So we told the government that let us put together this company to get part of that capital into the mainstream."

FMI's 2,000 shareholders include government clerks, housewives and teashop owners but no corporate or institutional investors, said Mr Pun, who is also chief executive of Serge Pun and Associates (Myanmar) Ltd., which is to issue a fourth batch of 16,000 shares, fully subscribed.

FMI is an offshoot of Serge Pun and Associates International which has businesses in Hong Kong and Thailand. Serge Pun & Associates (Myanmar) Ltd. was set up in 1991 to undertake a wide range of businesses in Burma.

With property development as its main pillar, the company is running a host of other businesses including an investment consultancy, a bank, a motorbike dealership, an ice cream parlour laundry, hotel and restaurant. It is pondering a cautious entry into infrastructure development. While upbeat about Burma's future, Mr Pun is under no illusion that the untapped wealth will have as visible an impact as it had in Vietnam.

"I have travelled, looked and explored. I know the majority of Burmese are poor and this country is still poor," he said. "It's a totally different picture when compared with Vietnam.

We didn't have that war which brought about suffering as well as money. Besides, the majority of Burmese have never left this country, making money abroad and bringing it home to start businesses as is the case with Vietnam," he said.

Yet the enthusiasm FMI shares have generated among ordinary people who wish to use their savings to bring some returns had made Mr Pun believe elements required for a capital market are falling into place.

The SLORC, with help from Daiwa of Japan as consultant, plans to launch a mini-stock market this year, and if it does, it might steal a march on Vietnam, which has had a bourse on the drawing board for at least four years. FMI is earmarked as one among 30 public companies whose shares can be traded when the Myanmar Securities Exchange Centre opens.

"So there's a market, an education process ongoing and at the same time risk factors," said Mr Pun.

To the Pun family, who fled Burma's political turmoil in the early 1960s, what's happening on the entrepreneurial front amounts to a "total change of attitude" on the part of the junta.

"Private ownership and enterprises are being encouraged. Before that, if a foreign company came looking for a joint venture, the government would say, 'why a private company? Do it with us'. But now they tend to say, 'go find a private company as your partner'," he said.

A factor in the new attitude among the military rulers is their exposure to economic reforms in China, their close ally. "They have learned from the Chinese that private enterprise is the only way to speed economic growth. Every government's venture moves like a big elephant, whereas private operations are like monkeys, jumping around the forest, moving fast."

It will perhaps take some time for the regime to adjust to the private sector's presence and needs. Mr Pun admits that a lot of companies have difficulties in Burma for a number of reasons not least an inability to secure bank credits.

A clear example of this is the rice milling industry. Currently, the government monopolises rice exports, and private traders are restricted to domestic dealing and small-scale processing. While the state has not officially barred the private sector from rice milling, it has not offered incentives for investment in this sector either.

A rice trader who requested anonymity, said: "Until the private sector's there, I don't think there can be substantial improvement in the quality of rice production. Financing and bank credit facilities are not there to boost private operators' roles in this business."

But on the whole, Mr Pun thinks Burma is on the path of an economic take-off, albeit not to the extent of Vietnam three years ago.

"If you jump into the Mekong River in Vietnam, you're bound to move along somewhere given the dynamic currents of the water. But in Burma, especially for private enterprises, the water is just not fast enough yet," he said.

Blockades of loans and development aid the SLORC is facing as a result of its political system remain a stumbling block. For example, the junta is reluctant to rectify the unrealistic exchange rate (six kyat per U.S. dollar at the official rate, against 110 kyat on the streets) in the face of uncertainties in getting substantial funds to cushion the impact.

Foreign investors have cited this unrealistic rate as an impediment.

"Hopefully, by the time the capital market comes into being, this problem will be resolved up to a point," said Mr Pun. "It's going to be resolved but it's a question of when. From our few meetings with them, the government has shown its determination to resolve it."

Contrary to its public pronouncements that foreign aid does not matter, the junta is acutely aware of its limits in effecting economic reforms. The example of Vietnam is too obvious to ignore. The country cannot grow until concessionary lending from Japan and international financial institutions is unleashed.

"I believe that they're working towards that goal in different ways," said Mr Pun of the Burmese generals. "They might not be singing the song the United Nations or the Americans want to hear. But they're doing what they think is right for the country and the people first."

Burma: Ex-Khun Sa Commanders Reunite To Counter Rangoon

BK0903121296 (Internet) BurmaNet News in English
8 Mar 96

[Report by Shan Herald Agency News: "The Ex-MTA Groups Strive for Unity; dated 8 March]

[FBIS Transcribed Text] After more than eight weeks of MTA [Mong Tai Army] surrender to the hated SLORC [State Law and Order Restoration Council] regime, the Shan patriots are again picking up the track where Khun

Sa has left. Many said that now it is time to look forward rather than to put the blame on each others. This reasoning is clearly demonstrated when two ex-MTA commanders Major Yord Serk and Major Lern Kham started to initiate unification gestures to continue the Shan resistance against the SLORC aggressor by issuing statements on 30 Jan 96 and 07 Feb 96 respectively.

The essence of the two statements are almost identical which include among others:

- to work for the unity of all races within the Shan State
- to uplift and reactivate the spirit of Panglong agreement
- to restore democracy and human rights
- to work for the prosperity and equality of all races within the Shan State
- to support the international community in its fight against the narcotics and
- to strive for peaceful co-existence within the sphere of Southeast Asian nations and the whole world in general.

Meanwhile, S.H.A.N [Shan Herald Agency News] sources learned that the west of Salween ex-MTA troops have reached a working relation to pave way for further reconsolidation. Major Lern Kham's group near the Laotian border is said to be also on the list of the formation.

Burma: Influence of Various Armed Groups in Shan State Reported

BK0903121396 (Internet) BurmaNet News in English
7 Mar 96

[Report by Shan Herald Agency News: "Shan State — After the Deal of the Decade; dated 7 March]

[FBIS Transcribed Text] The military situation in Shan State seems, according to the SLORC's [State Law and Order Restoration Council] news media, to be fully under its control. But a S.H.A.N. [Shan Herald Agency News] team traveled to various Thai/Shan border areas, talked and interviewed with concerned peoples in the Shan resistance movements and filed a report which suggest the situation is otherwise.

According to the report, the west of Salween stretching from the southern part of Shan State Mawmai, to Muse to the North, is controlled by various Shan resistance armies. Apart from that a chunk of area bordering Lao in the east and Thailand in the south is also occupied by ex-MTA [Mong Tai Army] troops led by Lern Kham.

The areas of influence and operation could be categorized as follows:

I. Former MTA groups and their areas of influence and operation:

Name	Leadership	Area	Strength
1.1 SSNA (Shan State National Army)	Karn Yord, Yi Kaw	Mong Nai to Haipaw	ca. 5-6000
1.2 Committee for Peace	Lern Kham, Kham Pha	Mong Yawng, Pha Lein (East Salween), Kang Larp to Tachilek	ca. 15-2500
1.3 Yord Sork	Yord Sork	SSNA area	ca. 1000
1.4 BDE [expansion unknown] 273	Khorh Ngern, Loi Khiao	Mong Nai, Mawknai, Namsang	ca. 500-1000
1.5 BDE [expansion unknown]8	Khun Aung Hua	Mong Nong, Lai Kha,	ca. 500
II. MTA (Mong Tai Army)	Khun Sa	Ho Mong, Mong Mai	ca. 5000
III. SSA (Shan State Army)	Sai Nong, Kai Hpa, Pang Hpa	Haipaw to Muan, Namkham	ca. 5000
IV. PDF (Peace And Democratic Front)			
4.1 UWSA (United Wa State Army)	Chao Ngai Lai, Pao Yu Chang	Wa State	ca. 10-15000
4.2 NDAA [expansion unknown]	Sai Lin, Sang Lu	Kengtung, Mong Yang	ca. 35-4000
4.3 MNDA [expansion unknown]	Yang Ma Lian	Kokang	ca. 15-2000
4.4 PSLA (Palang State Liberation Army)		Namkham	ca. 7-800

The fusion of the SSA and SSNA, which was said to be renamed as SSNA has been revoked. Instead it was agreed upon to go on using SSA for the combined

forces. Furthermore, the SSPP (Shan State Progressive Party) is renamed SSPC (Shan State Peacekeeping Council). It was learned that this decision was made not to provoke the SLORC in particular.

Further reports indicated that the surrendering MTA troops were being loaded into trucks and transported to big towns such as Taunggyi, Lashio and Kengtung where they were let free without any help or assistance, whatsoever. Many of them find their way to SSNA, where most of them were well received. Thus, boosting the strength of the SSNA further.

Meanwhile, the SLORC has been pressuring all the ceasefire groups to lay down their arms as the MTA did. Recently, the indication to take a harder stand was further strengthened by blocking the UWSA convoy coming down from the north to its southern base near Doi Lang, where years of armed clashes has been going on between UWSA and MTA for the control of the strategic base. The fighting eased down only after the MTA handed over the Doi Lang base to the Burmese forces in late December last year. Since then, the SLORC has been asking the UWSA to return to its base in Wa State, which was flatly refused.

Given such a hostile atmosphere between the ceasefire groups and the SLORC in general, a Shan spokesman for newly formed Shan State Peacekeeping Council (SSPC), who refused to be named said: "Our days of entering the open conflict with SLORC again might be just around the corner"

Reliable sources also indicate that the Shans are sending selected troops to be trained in urban guerrilla tactics somewhere within KNU (Karen National Union) area.

Burma: More Rebels Returning to Legal Fold in Jan

BK0903130496 Rangoon THE NEW LIGHT OF MYANMAR in English 23 Feb 96 p 7

[FBIS Transcribed Text] After realizing the genuine goodwill of the Government, more members of various armed groups, bringing in arms and ammunition, returned to the legal fold at various Tatmadaw [Defense Services] camps in January.

In Northern Command area, pvt [private] Ali Pha of ABSDF [All Burma Students' Democratic Front] armed group battalion No 701 returned to the legal fold.

In Eastern Command area, member of Central Committee (Northern) Soe Lin of ABSDF armed group returned to the legal fold.

In Yangon Command area, organizer Kyin Lin of Democracy Solidarity Front and wife Ma Mi Cho returned to the legal fold.

In South-East Command area, sgt [sergeant] Saw Pha Lu (Central), his wife Ma Win, pvt Aung Win, cpl [corporal] Min Din, his wife Ma Thi Thi Win, daughters Ma Cho Cho Lwin, Ma Lwin Lwin Than, sons Maung Kyaw Saw, Maung Htain Lin, Kyaw Soe Lin, mother-in-law Daw Hnin Shwe, of Kayin armed group; pvts Aung Thu, Kya Way, Hti Mar, Kya Ngwe of brigade No 6; deputy company commander U Kha Yain (a) [alias] U Myat Aung, sgt Aung Tun, pvts Myint Soe, Ah Win, Than Htaik, Ah Kin, Htein Win, Saw Mee, Ahnu, Saw Kyu, his wife Ma Mu Phaung of brigade No 7; pvt Saw Hla Htoo of battalion No 16; pvt Le Khaw (a) Ah Mohn of battalion No 19, bringing in three M-16 automatics, one M-14 automatic rifle, five magazines, 174 rounds of ammunition and two walkie-talkies, returned to the legal fold.

Officers of various Tatmadaw camps warmly welcomed them and assisted them.

Burma: Troops Capture KNPP Naunglon Stronghold in Kayah State

BK0903132196 (Internet) BurmaNet News in English 9 Mar 96

[8 Mar Report by All Burma Students' Democratic Front News Agency in Dawn Gwin]

[FBIS Transcribed Text] Alliance forces of KNPP [Karenni National Progressive Party] and ABSDF [All Burma Students' Democratic Front] troops retreated from a KNPP stronghold in Naunglon [Ridge] at 1:00 am on March 6, 1996. Burmese troop renewed their offensive attack since March 2 in Karenni territory, 24 kilometers northwest of Thailand's Mae Hong Song province.

About 1,500 Burmese soldiers from LIB [Light Infantry Battalion] 102, 421,423 and 424 have launched a fierce attack with heavy artillery, including 120 mm [millimeter], 81 mm and 60 mm mortars between March 2 to 5 to the Naunglon stronghold. During the four-day-long fierce fighting, the Burmese troops tried unsuccessfully to capture the Naunglon stronghold. They have suffered serious casualties and that at least 60 soldiers were killed and over 100 were wounded including one Lt. Col. One major was also among the death. In the alliance side, one KNPP was killed and five were wounded. No casualties from the ABSDF side.

On March 2, a 20-year-old private Myint Zaw (serial no. 31480), a 17-year-old private (serial no.31496) and a 20-year-old private Maung Win (serial no.31482), all

of them from LIB 102, Division 2 commanded by Major Aung Myo Myint defected into the alliance forces. According to their saying, Burmese troops were suffering ills and morally deteriorating. Some did suicide, they said.

The retreating from the stronghold is to conduct another defense strategy said one student leader from the ABSDF. He further said that the Naunglon stronghold has been occupied by the SLORC after the retreat of the alliance forces.

Burma: Rangoon Troops Mobilized Against KNU on Thai Border

BK1203085096 Bangkok THAILAND TIMES in English 12 Mar 96 p A2

[Report by Aisawin Phinitwong]

[FBIS Transcribed Text] Bangkok — Burmese government forces have stepped up construction of a strategic bridge over a canal which will allow them deploy troops and artillery against a Karen National Union (KNU) stronghold, border military sources said yesterday.

Army engineers of Burma's 416th division have been told to complete the construction of the bridge over Meah Pep canal opposite Tak province before the end of this month, the sources said.

The Rangoon forces are moving to the bases of pro-government DKBA (Democratic Karen Buddhist Army) who have recently suffered heavy losses against the KNU in the area.

A force of 1,200-plus heavy artillery is poised to move across the bridge as soon as it is completed, the sources said.

The DKBA's heavy losses were partly because of the government forces being unable to reach its bases due to the poor land transportation.

Last month, Rangoon agreed in principle with the KNU to have ceasefire following a series of talks. The DKBA, a splinter group of the KNU, was not involved in the ceasefire negotiation.

Thai military sources also claimed over 2,000 Burmese people have been forced to construct two strategic routes in the further north opposite Mae Sot district, Tak.

The new roads will be used as transportation link for border trade with Thailand.

Brunei, Malaysia & Singapore

Brunei

Brunei: Pakistani Terms Bhutto Visit 'Very Successful'

BK0703024996 Islamabad Radio Pakistan Network in English 1600 GMT 6 Mar 96

[FBIS Transcribed Text] A spokesman of the Foreign Office has described Prime Minister Benazir Bhutto's visit to Brunei as very successful. Briefing newsmen in Brunei Darussalam tonight, the spokesman said that prime minister succeeded in convincing the host country that Pakistan is keen to increase trade and economic ties with the countries of the East. Pakistan does not want to remain dependent on traditional sources for its trade and wants that its business circles increase their knowledge of the economy of the Eastern countries.

The spokesman said the Sultan of Brunei has supported holding of the extraordinary summit of Islamic countries on the 23d of March next year on the occasion of the 50th anniversary of Pakistan's independence. The Sultan will visit Pakistan along with other countries. The spokesman said the summit will also have one-item agenda, that is Islam in the 21st Century. After her visit to Brunei, prime minister will be leaving for Jakarta tomorrow to begin her visit to Indonesia.

Malaysia

Malaysia: UMNO Youth Warn U.S. Envoy Over Human Rights Report

BK1103052096 Kuala Lumpur SUNDAY STAR in English 10 Mar 96

[Unattributed report — received via Internet]

[FBIS Transcribed Text] Kuala Lumpur — UMNO [United Malays National Organization] Youth gave a stern reminder yesterday to the US ambassador here not to provide wrong and misleading information about Malaysia to the Clinton administration.

Its International Affairs Bureau secretary, Encik [Mr.] Mustapha Yaakub, warned the ambassador that the movement would take aggressive measures if such matters recurred.

Mustapha was responding to the US 1995 human rights report which criticised Malaysia for its Internal Security Act, limits on press freedom and abuses in detention centres.

The 20th annual report also touched on women's rights, workers' rights, child labour and religious freedom.

Mustapha said the United States should look at its own backyard before talking about other nations.

Malaysia: Iranian Minister Arrives in Kuala Lumpur

LD1003173996 Tehran IRNA in English 1705 GMT 10 Mar 96

[FBIS Transcribed Text] Kuala Lumpur, March 10, IRNA — Iranian Foreign Minister 'Ali Akbar Velayati arrived in Kuala Lumpur on Sunday and was welcomed by Malaysian Deputy Foreign Minister Leo Michael Toyad.

Velayati said to the reporters at Kuala Lumpur airport that he would hold talks with Prime Minister Mahathir Mohamed and Foreign Minister Abdullah Ahmad Badawi.

He said he would offer invitation of President Rafsanjani to Mahathir Mohamad to attend the inauguration ceremony of Mashhad-Sarakhs-Tajan railway in Iran.

He added that he would discuss participation of the Muslim states in reconstruction of Bosnia-Herzegovina with the Malaysian officials.

Velayati said Iran has already signed agreements with the member states of the Association of South-East Asian Nations (ASEAN) to pave the way for trade between the economic cooperation organization (ECO) and the ASEAN.

Malaysia: Iranian Minister Meets Abdullah, Mahathir

BK1103112096 Kuala Lumpur RTM Television Network 3 in Malay 0530 GMT 11 Mar 96

[FBIS Translated Text] Trade relations between Iran and the Commonwealth of Independent States [CIS] will be further enhanced when a railway network between Bandar Abbas near the border with Qatar [as heard] and the border with Turkmenistan is established.

The Iranian Government's largest project costing over 300 million ringgit is ready for construction. Foreign Minister Datuk Abdullah Ahmad Badawi stated this after receiving a courtesy call at his office this morning from Iranian Foreign Minister Dr. Ali Akbar Velayati. The railway network, which will serve as a means for trade with the CIS member [Turkmenistan], will be 2,000 kilometers long. The network will facilitate export and import activities which can be undertaken now only by air.

[Begin Ahmad recording, in progress]...Iran believes that the inauguration of a railway network between Mashad and the Iranian-Turkmen border will be an historic and important event because it will enhance economic relations and cooperation between CIS members and other countries. [end recording]

Later, Dr. Ali Akbar Velayati called on Prime Minister Datuk Sri Dr. Mahathir Mohamed at the prime minister's department. On the occasion, Dr. Ali Akbar Velayati conveyed a letter of invitation from Iranian President Ali Akbar Hashemi Rafsanjani for the prime minister to visit Iran during the inauguration of the railway network in that country in May. Dr. Ali Akbar Velayati invited Malaysia to attend a meeting of the Economic Cooperation Organization in Tehran also in May. Mahathir and the Iranian foreign minister discussed the enhancement of bilateral relations during a 30 minute meeting.

[Begin Velayati recording, in English, in progress] I have reported to his excellency that in the first nine months of 1995, we have had a 30-percent increase in the bilateral transactions between Iran and Malaysia. This (?indicates) progress in economic ties. [end recording]

Malaysia: Taxation Avoidance Accord Signed With Czech Republic

BK0803104296 Kuala Lumpur Voice of Malaysia in English 0800 GMT 8 Mar 96

[FBIS Transcribed Text] Investment flows as well as flow of goods and services are expected to be enhanced between Malaysia and the Czech Republic in the future following the signing of a double taxation avoidance agreement between both countries.

Finance Ministry Secretary General Tan Sri Clifford Herbert said Malaysian investors and exporters had already taken advantage of the opportunity created by the introduction of free market economy and liberalization measures undertaken by the Czech Republic. He was speaking before signing the agreement in Kuala Lumpur.

Malaysia's balance of trade with the Czech Republic is certainly in the former's favor. In 1994, Malaysia registered a trade surplus of 48.6 million ringgit with the Czech Republic.

Malaysia: Radio Views Significance of Mahathir's SRV Visit

BK0803105396 Kuala Lumpur Voice of Malaysia in English 0810 GMT 8 Mar 96

[Station Commentary]

[FBIS Transcribed Text] Malaysian Prime Minister Dr. Mahathir Mohamed is in Vietnam on a three-day working visit. This occasion sets another milestone in ASEAN history. This time Dr. Mahathir becomes the first national leader to visit Vietnam since that (?country) joined ASEAN last year.

Another historical event in Malaysia-Vietnam relations occurred on 19 December last year when His Majesty the Yang di-Pertuan Agong Tuanku Jaafar became the first head of state to visit Vietnam since it joined ASEAN and the first Malaysian king to visit the country since the establishment of diplomatic ties in 1973.

While Tuanku Jaafar's visit was a five-day state visit, Dr. Mahathir's is a working visit. The visit is not solely for improving relationship. While improving relations is naturally an important part of Dr. Mahathir's visit, it will probably be achieved through the large amount of work which will be done.

On the bilateral level, this might look like just another working visit by a national leader to a friendly country. However, the larger international significance to the visit cannot be missed. Apart from boosting the working and social ties between Malaysia and Vietnam, Dr. Mahathir's visit can be viewed as a measure of support for Vietnam in its efforts to open and advance its economy.

While Malaysia and Vietnam relations were established in 1973, trade volume has not been very encouraging. This was due as much to world situation and situations within both countries at the time. But after a 1992 visit by Dr. Mahathir, trade volume showed a marked improvement. Between then and the end of 1995, trade volume practically doubled from U.S.\$180 million to \$350 million. Total Malaysian investment in Vietnam amounted to \$860 million. That makes Malaysia Vietnam's seventh largest investor. Malaysia's exports to Vietnam include consumer goods, textiles, electrical goods, and transport equipment, while imports from Vietnam include rice and rubber.

In this visit the prime minister will meet with his counterpart, Vo Van Kiet and will later call on President Le Duc Anh. Among the activities to be conducted are the opening of a Maybank [Malayan Banking] branch and launching of sales for the Proton Wira [Malaysian-made car]. Maybank is Malaysia's largest commercial bank, while Proton is Malaysia's first car manufacturer. Dr. Mahathir will also witness the signing of several memoranda of understanding.

On the broader scale Dr. Mahathir's visit can be seen as a vote of confidence for Vietnam as it struggles with the difficulties of opening its economy. One immediate concern of Vietnam since joining ASEAN is the adherence to the policies of AFTA or ASEAN Free Trade Area. The most difficult part of AFTA for Vietnam is probably the calendar for opening of economic borders. However, being a new member and also new at the game, and in the true ASEAN spirit,

Vietnam has been given a grace period to comply with the calendar.

The Malaysians' presence in Indochina region is very prominent. This is due to Malaysia's belief in the strength of regionalism, especially within ASEAN. Malaysia's work within ASEAN realized ASEAN's ambition of nurturing a strong and dynamic region where no members are left behind.

There is no point [words indistinct] practicality in one's country while ignoring its neighbors, and at the same time hanging on to the coat tails of a patron country halfway around the world. Among the steps are ridding its language of foreign terminologies and fighting against the onslaught of pornography and drugs. The foreign media has had a field day in playing up its efforts, inevitably preparing it to heavy-handed tactic of oppressive regime. [sentence as heard]

Dr. Mahathir's visit to Vietnam might provide the country with the moral encouragement it needs and will undoubtedly bring assurance to Vietnam that its efforts in opening its economy while retaining its integrity as individual nation is on the correct path.

Malaysia: Outcome of Mahathir's SRV Visit Assessed

BK1103114696 Kuala Lumpur BERITA HARIAN in Malay 11 Mar 96 p 10

[Editorial: "Vietnam Rises From Destruction"]

[FBIS Translated Text] There has been rapid development in Vietnam since its entry into ASEAN last July. From a war-torn country, Vietnam, through its open-door (doi moi) and economic reconstruction (coi moi) policies is currently successful in moving forward while other countries in East Asia and Southeast Asia are also rapidly transforming themselves into economic powers both in this century and for the next millennium.

Prime Minister Datuk Sri Dr. Mahathir Mohamed acknowledged Vietnam's positive development in a statement issued yesterday after he returned home from a visit to that country. Vietnam's Gross Domestic Product (GDP) increased between eight and nine percent while its inflation rate decreased. This is an indication of Vietnam's successful and pragmatic economic policies.

The prime minister had previously visited Vietnam on several occasions, the last visit being at the end of 1992. He concurred that the country's leadership under Prime Minister Vo Van Kiet had never turned backward since the end of the Vietnam War, including the fall of Saigon and the reunification of Vietnam in 1975.

To us, the positive change in Vietnam is a good sign that the existing Hanoi-Kuala Lumpur relations can be further enhanced, more so now that this Indochinese country has become a member of the ASEAN regional grouping. Through ASEAN, Vietnam can move faster, either in regional development or in affairs related to higher level organizations such as the United Nations (UN).

Positive development in Vietnam has provided good and abundant advantages. Despite being the youngest member of ASEAN, Vietnam has been given the honor of hosting the upcoming sixth ASEAN summit scheduled for 1998. The summit, which will be conducted after the Francophone summit, again indicates that the country can adapt itself expeditiously to the upcoming 21st century.

Vietnam has greatly benefited from its participation in ASEAN, particularly in trade and investment. For example, until last November, other ASEAN member countries had established 165 investment projects in Vietnam which amounted to 7.925 billion ringgit. This is 17.4 percent of the total direct investment from foreign countries. Currently, Malaysia has 42 investment projects in Vietnam.

Providing a special country status to Vietnam by the European Union (EU) and Canada indicates that it has been successful in international relations, and has become an attractive country to woo investment and the manufacture of export-oriented commodities.

Removal of trade sanctions and resumption of diplomatic relations with the United States has paved the way for a greater flow of foreign assistance and investments, and we are confident that Vietnam will become another Asian Tiger. The prime minister said Malaysia, being the seventh largest investor in Vietnam, is willing to share its expertise and experiences in all fields, such as economy, trade, investment, tourism, infrastructure and technology.

Another important issue in Kuala Lumpur-Hanoi relations is the problem of the Vietnamese boat people in Malaysia. We warmly welcome Vo Van Kiet's assurances on Vietnam's willingness to readmit boat people. However, we still consider such an assurance inadequate unless it is followed by an effective action plan.

Prior to this, Vo Van Kiet gave similar assurances at the ASEAN Summit in Bangkok. However, due to its domestic problems, Vietnam has been compelled to readmit them in small groups. We understand the problem facing the Vietnamese Government but this should not be an excuse for it to obstruct the repatriation process.

In our opinion the problem of the boat people should have been resolved long ago. This is because Vietnam has returned to the international community's fold, which includes its involvement in regional organizations such as ASEAN. The Vietnam War ended more than two decades ago but the fate of the boat people is still uncertain.

The problem of the boat people has been further aggravated by developed and wealthy nations (the third party) which are reluctant to accept them, while the United Nations High Commissioner for Refugees (UNHCR) has ceased to extend its assistance.

Based on such a situation, we sincerely hope that Vietnam will be totally responsible for taking back its own boat people, and will not allow the issue to become a thorn in the flesh of its friends in ASEAN.

Malaysia: Air Force Chief Views Joint Exercises With Thailand

BK0903115496 Kuala Lumpur THE STAR in English
9 Mar 96

[Report by Thomas Soon — received via Internet]

[FBIS Transcribed Text] Hat Yai — The Royal Malaysian Air Force (RMAF) is not using joint exercises to compete with its Thai counterpart, said RMAF chief Lt-Jen [Lieutenant General] Datuk Sri Abdul Ghani Aziz.

Lt-Jen Abdul Ghani said such exercises were to evaluate and strengthen the air capabilities of both forces by developing common air operating procedures.

He said it was also an opportunity for RMAF and the Royal Thai Air Force [RTAF] to learn from each other and compare notes.

"We want to promote transparency to build confidence in each other's capabilities," he told reporters at a press conference with Thailand's Air Chief Marshal Phanom Thirawasathi after the joint launching of Exercise Air THAMAL XIV here yesterday.

It is the 14th annual exercise between the two forces under the auspices of the Malaysia-Thailand General Border Committee. The scope of the exercise, which will be conducted from March 6 to 15, include Air Defence, Battlefield Air Interdiction, Maritime operation, Escort, Combat Search and Rescue (land and sea) and Communications Support.

Lt-Jen Abdul Ghani said tactical focus of the exercise had changed from counter communist insurgency to one of development.

He said there was no possibility of other ASEAN countries participating in the exercise as it was a bilateral arrangement.

About 15 pressmen and 10 RMAF officers were flown to Hat Yai and back by Lt-Jen Abdul Ghani yesterday on a C-130 Super Hercules which took off from the Subang base in Kuala Lumpur and landed at Wing 56 Fourth Air Division of RTAF here.

Malaysia: Syed Hamid Departs for Philippines Visit
BK1103081496 Kuala Lumpur THE STAR in English
11 Mar 96

[BERNAMA report — received via Internet]

[FBIS Transcribed Text] Kuala Lumpur — Defence Minister Datuk Syed Hamid Albar will leave for Manila today for a two-day visit to further strengthen ties between the defence ministries of the two countries.

His military aide, Kol [Colonel] Wan Abu Bakar Wan Omar, said yesterday the visit was also to identify areas for co-operation between the Malaysian and Philippine armed forces.

This is Syed Hamid's first visit to the Philippines since taking over the defence portfolio from Datuk Sri Najib Tun Razak.

Syed Hamid will call on President Fidel Ramos and Defence Secretary Renato de Villa during his visit.

He will be accompanied by the Defence Ministry secretary-general Datuk Azizan Hussain and Navy chief Laksamana Madya [Vice Admiral] Datuk Ahmad Ramli Mohamed Nor.

Malaysia: Drug Traffickers Arrested in Singapore
96SE0025B Kuala Lumpur BERITA HARIAN
in Malay 15 Jan 96 p 7

[FBIS Translated Text] Johor Bahru, 14 Jan—Two Malaysians were arrested at Woodlands, Singapore, this morning on suspicion of bringing about 10 kilograms of marijuana into that republic.

A truck driver and his assistant were arrested at the Singapore Customs Inspection Center at about 1100 hours this morning in an integrated operation by authorities of the republic to prevent drug trafficking.

The drugs reportedly were found hidden in a pillow and blanket in the driver's sleeping area.

The truck was not carrying any cargo when the men were arrested.

The operation, led by Eng Kouk Teh, duty officer of the Woodlands Police Branch, with six officers

from the Singapore Criminal Investigation Division and the Special Tactics and Rescue (STAR) force, was conducted when they believed there was an attempt to enter Singapore with the truck.

Eng said that, using information received from the community, he made a detailed plan to keep the driver from detecting the operation.

"The driver is being detained at the Woodlands Police Office for further investigation, while the truck is still held at the Singapore Customs Inspection Center," he said when interviewed this morning at the Woodlands inspection center in Singapore.

Eng said that Singapore authorities will request the cooperation of Malaysian police in obtaining further information about the truck's owner and the identities of the two men, ages 25 and 35.

"If found guilty, the two could be sentenced to death by hanging, and the truck's owner could be fined and his vehicle banned from entering Singapore," he said.

Meanwhile, a Singapore customs officer, who did not want to be identified, said that he had stopped several trucks suspected of smuggling drugs into the republic.

He said the efforts had failed, however, because he had failed to find concealed drugs despite having received information from the community.

He said he will be conducting a massive one-week operation at the inspection center beginning 19 January.

Malaysia: Police Seize Record Quantity of Drugs

96SE0025A Kuala Lumpur BERITA HARIAN
in Malay 21 Jan 96 p 4

[FBIS Translated Text] Alor Setar—Police of the Anti-drug Branch (CAD) have seized 24 kilograms of drugs worth about 2.46 million ringgit, the largest amount ever, in three separate raids since last Wednesday (17 January).

Assistant Second Senior Commissioner Frederick Rengga, acting chief of Kedah Police, said that in an operation last Wednesday at 1300 hours, 12 CAD police officers waited for traffickers, believed to be from a neighboring country, to come ashore at Kuala Tebengau, Yan.

The traffickers threw packages of drugs into the sea, however, when they became aware of the police on the shore, and they fled in a fishing boat.

From the boat used by the traffickers, police seized four plastic bags weighing 80 kilograms and containing 71 well-wrapped packages of dry leaves believed to be marijuana.

Rengga said that in an operation at about 1500 hours last Thursday (18 January), police seized six and a half plastic bags weighing 166 kilograms and containing 168 packages of dry leaves believed to be marijuana. The drugs were found near underbrush along the Derhaka River near Derhaka River Village, Kota Kuala Muda.

He said the seizure was the result of police interrogation of three men suspected of being drug traffickers, who were arrested at Seberang Prai Utara, Pulau Pinang, at about 1300 hours the same day.

"Using information obtained from the three men arrested at Seberang Prai Utara, Pulau Pinang, police conducted surveillance in the underbrush at the Derhaka River to apprehend the go-between believed to be assigned to pick up the drugs.

"No one picked up the drugs, however," he said in a press conference at Kedah Police Contingent Headquarters yesterday.

Singapore

Singapore: Overseas Direct Investments Rise 29 Percent

BK090311696 Singapore BUSINESS TIMES
in English 9 Mar 96

[Report by Chuang Peck Ming — received via Internet; all figures in Singapore dollars]

[FBIS Transcribed Text] Singapore's direct investments abroad stood at \$37.3 billion by end-1994, up \$8.4 billion from the year before, said a report by the Department of Statistics. The 29.1 per cent jump reflected largely the expansion of existing overseas operations by Singapore companies, said the report which gives an update on Singapore's investments abroad.

Growth in the number of overseas subsidiaries fell behind the growth in investments in 1994, but it was still "considerable", signalling the growing importance of overseas operations for Singapore companies, the report said. The number rose 14.1 per cent to 4,295.

The financial sector was Singapore's largest investor abroad, accounting for 44.2 per cent of the total. It was followed by the manufacturing (26.6 per cent), commerce (7.9 per cent), business services (6.8 per cent) and real estate (6.3 per cent) sectors. The report said that three-quarters of the investments by the construction sector were in real estate rather than in construction, making it the "most diversified" Singapore investor abroad.

The real estate sector, the next most diversified, invested mainly in financial services while the business services

sector spread its investments in financial services, commerce, manufacturing and business services.

Overall, the bulk of the overseas investments has gone into financial services (53 per cent), manufacturing (20.2 per cent), commerce (10.6 per cent) and real estate (6.8 per cent).

In terms of location, the report said Asia continued to be the favourite with Singapore investors because of its "huge market potential which offers attractive opportunities". Over half (55.7 per cent) of Singapore's investments were in the region. "Investment in the neighbouring countries, particularly Malaysia, was a natural extension for many Singapore companies," the report said.

Investments in the ASEAN countries, which offered a cheap manufacturing base and abundant raw materials, together made up 29.5 per cent of Singapore's total investments abroad.

Malaysia accounted for the biggest share (21.7 per cent) of Singapore's investments, followed by Hong Kong (17.5 per cent), Netherlands Antilles (7.8 per cent) and the United States (7.1 per cent). China made up 4.5 per cent of Singapore's total investments, making it the seventh biggest, followed by Indonesia at 3.6 per cent.

Singapore: Lee Kuan Yew To Undergo 'Second Balloon Angioplasty'

BK1203041696 Singapore BUSINESS TIMES in English 12 Mar 96

[Unattributed report — received via Internet]

[FBIS Transcribed Text] Senior Minister Lee Kuan Yew is to undergo a second balloon angioplasty, the Prime Minister's Office said yesterday.

On Saturday, the Senior Minister's panel of three cardiologists, Drs Arthur Tan, Maurice Choo and Low Lip Pin, together with his panel of three primary physicians, Associate Professors John Wong, Fock Kwong Ming and YY Ong, reviewed Mr Lee at the Singapore Heart Centre.

Tests revealed that there is an inadequate supply of blood to the heart, but that it is not as severe as in January before the Senior Minister's first angioplasty.

The statement yesterday said the probabilities are that the left circumflex artery has renarrowed, which statistically happens in 30-40 per cent of balloon angioplasty cases.

On Sunday, Mr Lee reviewed his options with the three cardiologists and Associate Prof Wong, together with Dr Richard Schatz of the Scripps Clinic, San Diego.

Dr Schatz, who co-invented the Palmaz-Schatz stent, was fortuitously in Singapore for a seminar, and Mr Lee agreed that after Dr Schatz completes his engagements in the region, he will return to Singapore this Friday, and together with Dr Tan, will perform a second balloon angioplasty, this time to insert a stent.

Dr Schatz has done several thousands of stent implantations. He has seen the film of Mr Lee's first angioplasty and has assessed the case to be very suitable for stent implantation.

Cambodia

Cambodia: Khmer Rouge Welcomes Ouster of Australia's Evans

BK1103104796 (Clandestine) Radio of the Provisional Government of National Union and National Salvation of Cambodia in Cambodian 2330 GMT 10 Mar 96

[Unattributed commentary: "Gareth Evans and His Right-Hand Man Costello Have Been Kicked Out of the Australian Foreign Ministry"]

[FBIS Translated Text] Reports say that Gareth Evans, one of the big criminals fueling the war in Cambodia, and his right-hand man Peter Costello, have been kicked out of the Australian Foreign Ministry.

Gareth Evans was Australia's foreign minister. He lost his post following the election defeat on 2 March. Although he lost his post, he wanted to keep Costello, his right-hand man, as head of the Foreign Ministry office so that he could continue his policy and maintain his organization. Peter Costello, however, was also kicked out.

It is still remembered that when the Paris Peace Agreement was being drafted, Gareth Evans and Peter Costello were the ones who unhesitatingly broke the neck of the Cambodian national resistance forces in order to serve communist Vietnam. They opposed four-party national reconciliation and did everything to preserve Vietnamese forces and communist Vietnam's puppets in Cambodia so that they could scramble for interests in Cambodia. Apart from this, Costello is known as a criminal who deals in drug trafficking and abducts children to sell them into the sex trade. This guy is an arch-criminal as far as the Cambodian nation and people are concerned.

The fall of these two guys at the Australian Foreign Ministry has communist Vietnam and its out-and-out lackeys puppets quite worried. Observers, in general, say that at least the new leaders will not be obsessed with communist Vietnam and communist Vietnam's

puppets like these two guys were. This has further isolated the two-headed government, communist Vietnam's out-and-out lackeys, and the alliance in every fields.

Cambodia: Ranariddh on Settling Land Dispute With SRV

BK0803073696 *Phnom Penh CHAKKRAVAL*
in *Cambodian* 2 Mar 96 pp 1, 4

[Report by Sek Meas]

[FBIS Translated Text] The prince krompreah [First Prime Minister Norodom Ranariddh] told reporters that he will set up a joint commission with Vietnam to check the disputed areas. At the same time, Vietnam has issued a statement in Hanoi welcoming this stance by the Royal Government of Cambodia, which shows a willingness to seek a solution through friendship and cooperation. The statement also says that Vietnam expressed satisfaction with the result of a new meeting between officials of Svay Rieng and Tay Ninh Provinces.

But although Vietnam has welcomed the prince krompreah's stance, there has been no resolution of the old dispute over Vietnamese aggression and no return of land to Cambodia; and on 25 February, when the prince krompreah was visiting Svay Rieng Province, 66 families complained to him that last week Vietnam had taken over nine hectares of their land. The villagers affirmed that the Vietnamese used tractors to clear away dikes and plant potatoes on the land. On this issue the prince krompreah has promised the villagers that he will strive for a very quick solution.

Cambodia: Paper Blames Hun Sen for Territory Loss

BK1103125096 *Phnom Penh SAPORDARMEAN*
SEREIPHEAP THMEI in *Cambodian* 6 Mar 96
pp 1, 4

[Unattributed "Today's comment" column: "Hun Sen Has To Accept Responsibility for the Loss of Territory While He Was in Power"]

[FBIS Translated Text] Is it true that to gain power Hun Sen raised his hand to sign documents giving away territory and islands to Vietnam? Just to gain power, Hun Sen agreed to obey Vietnam's orders by sending his own people to die of malaria, to cut down trees, and to step on mines and be maimed. Is this true? For the sake of power, Hun Sen agreed to do countless things unrivalled by leaders of any other periods. To show loyalty as Vietnam's lackeys Hun Sen dared to do everything. Is this true?

Hun Sen prevented Cambodian children from learning Cambodia's history and from learning international

languages, except Vietnamese and Russian. Hun Sen warned Cambodian children not to refer to Vietnam as Yuon. Even the terms Vietnamese soup or Vietnamese ant are banned. Are these acts by leader Hun Sen not unfair?

Following are a number of treaties relating to border issues that Hun Sen signed to give away territory to Vietnam:

- the treaty to reduce the Cambodian border dated 18 February 1979; it is a 20-year cooperation treaty and will be secretly reviewed every 10 years;
- the treaty dated 7 July 1982 which reduced Cambodia's maritime border; the oil-rich Kaoh Seh area has been given to Vietnam by Hun Sen;
- the treaty dated 20 July 1983 which further reduced Cambodia's border in favor of Vietnam;
- the treaty of 20 July 1988 signed by Hun Sen himself and Nguyen Co Thach. It was an agreement concerning the new border of the two countries.

All this evidence has been published and disseminated publicly; it is on sale worldwide. The author is Hin Sithan who currently lives in the United States.

Although these facts have been published and disseminated publicly we have never heard Hun Sen reject or shout that Hin Sithan will be taken to court. Maybe Hun Sen did do all those things?

There is much evidence showing that Vietnam committed aggression against Cambodia. However, the Cambodian people have never heard Hun Sen saying so, not once. Why? In all the places that 14 years ago he never bothered to go to, Hun Sen shouted that he did everything for the country and for the people. However, if he did it for the people, then why did he send people to carry out the K-5 plan [forced labor campaign against resistance forces in western Cambodia]? Why did he prevent Cambodian children from learning their own history? Why did he not allow Cambodian children to learn international languages? Has Hun Sen ever answered these questions? Not only did he not answer, he also threatened those who raise these issues. Now Vietnam has demanded that documents from the 1980's be used in talks to resolve the border dispute. If the issue of land annexed by Vietnam in the 1980's cannot be resolved, Hun Sen himself is fully responsible to the nation, people, and history.

Will history consider Hun Sen a hero while the territory along the border cannot be reclaimed?

Cambodia: Ranariddh Says Sihanouk 'Still Healthy'

BK1203124396 Phnom Penh National Radio of Cambodia Network in Cambodian 1100 GMT 12 Mar 96

[Speech by First Prime Minister Norodom Ranariddh at inauguration of a school building in Kompong Chhnang District, Kompong Chhnang Province, on 12 March — recorded]

[FBIS Translated Excerpt] [Passage omitted on Ranariddh praising local officials for their efforts]

I am very happy to inform you all that yesterday, His Majesty the King and the Queen returned to our motherland to be the coolest refuge for all of us, their children. [Applause]

Furthermore, some of our compatriots, having heard about the king's health through national television or radio, are worried and have asked me, neighbors, and officials about the king's health. I would like to inform you that we are very fortunate. It is true that the king's [words indistinct] Chinese doctors to inform all of us and the king himself. The fact is that king's health is still good and he is still our people's hope for the future. [Applause] There were some minor mistakes in the translation of the message from French into Cambodian because the technical language of medical science (his difficult to translate). However, despite being 73 years old, the king is still healthy and can remain our cool refuge for many more years in the future [Applause].

[Partly indistinct passage omitted recalling past educational achievements during the time Sihanouk was in power]

Cambodia: Heirs to Throne, FUNCINPEC Leadership Discussed

BK1103144396 Phnom Penh AREYEAKTHOR in Cambodian 4-5 Mar 96 pp 1, 4

[Report by Marina]

[FBIS Translated Text] Politicians, political analysts, and various observers have paid close attention to the fact that the king has repeatedly issued messages voicing opposition to various government plans, such as the military service law and efforts to drive out squatters from public lands in Phnom Penh. It is true that the problem of squatters and slums in Phnom Penh must be settled by Phnom Penh authorities who are in charge of developing and beautifying Phnom Penh city. After a protest by the king, all these efforts have been suspended. It is not known why the king had this reaction. Maybe, it is because he wants to keep these

slums as a means for criticizing the present government with two prime ministers.

Many politicians do not want to and dare not criticize the king because the king is most revered by them, as well as by every Cambodian. However, there are some things that must be examined because they involve the political rights of the people in a multiparty democratic regime.

The prince krompreah who is the chairman of the FUNCINPEC (National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia) party is not the best nor the most favored son of the king. Although it is the king's idea to have co-prime ministers, and although the Constitution states that the king is inviolable and that the king reigns but does not wield power nor is he involved in politics, whatever the king does, intentionally or not, is considered an interference in government affairs.

The prince krompreah has often said that the king is 100-percent recovered from his illness, thus there is nothing to be worried about any longer. If that is so, why does the king not stay in the country? This is one of the questions that politicians have tried to find an answer to. Various circles have objected to Queen Monineat being the heir to the throne, and the king has also voiced his disagreement. After hearing that the prince krompreah is entering the monkhood at Chan temple, all circles assumed that this is in preparation to his succession to the throne. Is this true or not? According to analysts, if this is true, it would mean handing over all power to Samdech Hun Sen as the only prime minister, without a co-prime minister. But if this is not the intention, another group of politicians have thought of a new political twist — that is, if the king does not wield power as stated in the Constitution, the queen can lower her position to become just a prime minister. Politicians have evaluated this point from various new political events. They meant to say that if the prince krompreah becomes king after his monkhood, the Queen Monineat might become chairman of the FUNCINPEC party and might take over the post of co-prime minister.

It is expected that with this political game, the Cambodian People's Party (CPP) of Hun Sen and Chea Sim might be under pressure. Politicians said that if this should happen, such a political shift would greatly satisfy the Loy Simchheang, Tea Chamrat, Ing Huot, and Sam Rangsi groups. They said further that by the time the prince krompreah becomes king and Queen Monineat becomes prime minister, the FUNCINPEC would be consolidated, and even Sam Rangsi would certainly quit the Khmer Nation Party and return to the FUNCINPEC. By then, the power that Prince

Krompreah Norodom Ranariddh used to have would no longer exist because the king does not wield power nor does he interfere in government affairs. By then, observers said, it would be easy to weaken Hun Sen's strength by breaking up Ranariddh and Hun Sen.

Analysts have assessed all angles of this profound political turning point, and have discovered that Samdech Hun Sen seems to have tried hard to avoid having the prince Krompreah fall before the time is ripe for him to fall because of the political game. Political analysts have made this assessment because the prince Krompreah has not yet entered the monkhood as planned. Some believe in this assessment, while others do not, because this political turning point is very difficult to understand. Only God knows how it will turn out.

Cambodia: Hun Sen Visits Troops in Battambang Province

*BK0803130496 Phnom Penh National Radio of Cambodia Network in Cambodian
1100 GMT 8 Mar 96*

[FBIS Translated Text] On 7 March, Samdech Hun Sen, second prime minister of the Royal Government of Cambodia [ROC] and co-commander in chief of the Khmer Royal Armed Forces [KRAF], visited officers and men who are carrying out duties to defend the country and to ensure the security of the motherland.

Accompanying the samdech second prime minister on this occasion were: H.E. Sar Kheng, deputy prime minister and co-interior minister; H.E. Sok An, co-minister in charge of the cabinet office; H.E. Tie Banh and H.E. Tea Chamrat, co-defense ministers; H.E. Im Chhunlim and H.E. Em sam-an, co-state secretaries of the Interior Ministry; H.E. Kun Kim, special envoy of the samdech second prime minister; Sieng Lapresse, office head of the Information Ministry; and many other high-ranking officials from the Royal Government.

Welcoming the samdech second prime minister on his visit upon his arrival at Bek Chan airfield in Battambang Province were: Provincial Governor H.E. Ung Sami; KRAF Chief of Staff H.E. Ke Kimyan; National Police Chief H.E. Hok Langdi; deputy provincial governors; and officials, military and police officers, and the military police

During the visit, Samdech Hun Sen, ROC second prime minister, presented gifts, including money and material comprising food supplies and \$50,000—\$30,000 of which came from the samdech second prime minister's own budget. Of the \$30,000, \$20,000 is for the construction of various buildings and the remaining \$10,000 for buying medicine. Samdech Second Prime Minister Hun

Sen also gave 81,120,000 Riel to assist the KRAF's current activities to ensure the safety of the people.

All the gifts handed out on this occasion are from the Ministries of National Defense and Interior and from Samdech Hun Sen, ROC second prime minister.

Samdech Hun Sen returned to Phnom Penh during the afternoon of the same day.

Cambodia: Possible Removal of FUNCINPEC Governors Viewed

*BK1003154596 Phnom Penh AREYEAKTHOR
in Cambodian 4-5 Mar 96 pp 1, 4*

[Report by Marina]

[FBIS Translated Text] According to an unofficial but reliable source, the FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] party has been preparing to reshuffle its government officials and governors. This is because some of its officials and governors have been very inactive and do not work hard enough for the provinces as well as for FUNCINPEC itself. In addition to a number of officials, some provincial governors have also caused FUNCINPEC's prestige to decline.

This unofficial source revealed that: Prey Veng Provincial Governor Tep Nunnari would be transferred to the Interior Ministry; Kandal Provincial Governor Chak Sarik and Kompong Speu Provincial Governor Neav Sithong would be transferred to the Constitutional Council; and Lao Sukhi, first deputy governor of Kompong Chhnang Province, would be transferred to the Interior Ministry.

No official reports have been received on the replacement of these officials.

If this report is true, it is believed that the Cambodian People's Party must also rearrange its personnel in order to speed up the development work and so that the government, especially the FUNCINPEC side, can achieve success in the 1998 elections.

Cambodia: Khmer Nation Party's Latest Actions Reported

*BK0903103096 Phnom Penh REAKSMEI
KAMPUCHEA in Cambodian 9 Mar 96 pp 1,2*

[FBIS Translated Excerpt] Sam Rangsi's push, probably the last one, for a meeting with the co-ministers of interior on the morning of 7 March failed because the co-ministers were accompanying Samdech Second Prime Minister Hun Sen on an inspection of the military situation in western Cambodia. Sam Rangsi has adopted a new tactic by pushing for a meeting on 15 March, two

days before the extraordinary congress of Nguon Soeu, in order to resolve a number of issues.

Sam Rangai, leader of the Khmer Nation Party (KNP)—which has not been recognized as legal political party by the government—along with approximately 30 colleagues, most of whom are known to be members of the party executive committee, paraded to the Interior Ministry. This parade did not cause traffic problems along Preah Norodom boulevard. Sam Rangai, however, was not allowed into the ministry office because of the reason outlined above. [passage omitted on Co-interior Ministers Sar Kheng and Yu Hokkri accompanying Hun Sen to western Cambodia on 7 March; covered by referent item]

The failure to meet with the co-interior ministers displeased Sam Rangai, who immediately called a news conference at the party office.

At this news conference Sam Rangai talked about some changes. He said the KNP has changed the party's founding date to 2 November. The party had earlier chosen 9 November. The 9 November date was opposed as it is Cambodia's national day and no individual or group is allowed to use it for anything else. The KNP has not withdrawn the picture of Jayavarman VII, which it was using for its logo; the KNP has only erased the words 'Jayavarman VII' beneath the picture of Jayavarman VII's head.

Some observers think that these are minor changes by Sam Rangai that will achieve nothing, because they do not conform with the king's initiative. There was a push by Samdech Hun Sen on the afternoon of 6 March during the meeting of the Interior Ministry urging a speedy adoption of the law on political parties. Samdech Hun Sen said that he is not afraid of opposition parties as long as the parties are within the law. [passage omitted citing a plan to convene an extraordinary congress by Nguon Soeu and Muong Mondel to contest Sam Rangai's leadership]

Referring to this planned congress by Nguon Soeu, Sam Rangai said that the KNP will hold a grand meeting on 15 March at the residence of Kong Koam, KNP's first deputy leader. The meeting will focus on the development, stance, and strategy of the KNP. The party's new leadership lineup will also be presented.

Cambodia: 'Column' Advocates 'Negotiations' To End War

BK0803072496 *Phnom Penh CHAKKRAVAL*
in *Cambodian* 2 Mar 96 pp 1, 4

["Today's comment" column by Serei Moradak: "Waging War To End War"]

[FBIS Translated Text] The war between the Khmer Republic regime and the Kampuchean National United Front ended on 17 April 1975 and the real winner was the Khmer Rouge's Democratic Kampuchea.

The war between the Democratic Kampuchea regime and the Kampuchean National United Front for National Salvation, in collaboration with Vietnamese troops, which started at the end of 1978, toppled the genocidal regime on 7 January 1979; however, the war still goes on.

Following a peace solution in Cambodia and after the election in 1993, national reconciliation took place; yet, fighting between Royal Government's troops and Khmer Rouge rebels continues.

The Khmer Rouge rebels have refused to return to the fold. The Royal Government has decided to wage war to end war.

Thus, waging war to end war is correct. However, this war should not be prolonged because the longer it drags on the more destruction and suffering it will cause.

Waging war to end war should be done only for a short period.

If this method is not effective, it is better to resort to negotiations to end the war.

Cambodia: Khmer Rouge Calls Ranariddh Becoming Next King 'Farce'

BK1103125396 (*Clandestine*) *Radio of the Provisional Government of National Union and National Salvation of Cambodia* in *Cambodian* 2330 GMT 10 Mar 96

[Unattributed commentary: "Look at the Question: Who Is Behind the Drive To Make Ranariddh King?"]

[FBIS Translated Text] There have been many rumors about Ranariddh becoming the next king. Various circles wonder who has orchestrated this farce? The culprits are communist Vietnam and its puppets. They have spread the news again and again. For example, many reports were floated around, saying for instance that Ranariddh would ascend the throne; Hun Sen would be the only prime minister; Ranariddh would enter the monkhood to cleanse himself; the People's Party [CPP] would win the elections; the CPP would have sole power

in the government; other parties, such as that of Mr. Sam Rangsai, or individuals, such as Prince Sirivut, would never win, and so on.

So, it is communist Vietnam and its puppet Hun Sen who have orchestrated the farce.

To boost Ranariddh's chance as the next king, communist Vietnam and Hun Sen have stage-managed another farce in which Ranariddh was ordered to make statements about the Cambodian-Vietnamese border, as well as the Cambodian-Thai border. This was to make Ranariddh's nomination as the next king attractive to the public. However, it was like trying to sprinkle a small drop of perfume on Ranariddh's badly malodorous body to spruce him up as king.

Ranariddh did not speak about the Cambodian-Vietnamese or Cambodian-Thai border issues on his own. It was Hun Sen who ordered Ranariddh to do so. And who was behind Hun Sen? Communist Vietnam was. When the time comes for Ranariddh and Vo Van Kiet to negotiate, the latter will pretend to make a concession by agreeing to pull out of Dong village to help boost Ranariddh's prestige as a true circus king.

Those in the alliance seem to have agreed to this ploy so that there is a succession to the throne from which they would try to curry favor later. The Cambodian nation and people predict that this gamble of the alliance is hopeless. The alliance will get nothing in return except Vietnamese excrement, just as it did when it gambled on UNTAC [UN Transitional Authority in Cambodia] and the two-headed creation.

Playing this farce of communist Vietnam and its puppets is like sticking one's neck into a noose, for only one of the two heads created by UNTAC, communist Vietnam, and the alliance to fool public opinion will be left. This will be the head of communist Vietnam and its puppets. Anyway, the other head — FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] and Ranariddh — has already been neutralized and turned into a parrot repeating whatever Vietnamese lackey Hun Sen wants it to say.

The Cambodian nation and people in all social strata are opposed to them, are fighting them, and are seeking all means to crush them. The West is also opposed to them, asking itself whether it should continue providing aid to the two heads or not, for all the money given by the West in the past was used by communist Vietnam and its lackeys to kill the puppets of the United States and the alliance. U.S. President Clinton is faced with this dilemma: Should he continue to play the communist Vietnamese card or should he encourage

national reconciliation and peace under genuine liberal democracy? Whose side should he take?

The Cambodian nation and people have seen this truth all their lives. The United States and the West must not hope that by helping communist Vietnam continue the war they can strengthen and expand their puppet forces. Experiences over the past three years show that the forces of the United States and the West have been decimated by communist Vietnam and its puppets. If they continue to brownnose communist Vietnam, they will surely get nothing.

As for the Cambodian nation and people, they will never allow themselves to be fooled by communist Vietnam. They will continue the struggle to smash communist Vietnam's two-heads-cum-one-head until no head is left, and they will achieve national reconciliation by rallying all national forces to safeguard and perpetuate the Cambodian nation and race and genuine liberal democracy in Cambodia.

Cambodia: Khmer Rouge Claims Successes on Battambang Fronts

BK1103150496 (Clandestine) Radio of the Provisional Government of National Union and National Salvation of Cambodia in Cambodian 2330 GMT 10 Mar 96

[FBIS Translated Text] Following are results of our activities in smashing two-headed personnel and adding assorted strategic weapons on Route 10, West Battambang, and Sisophon-Poipet battlefields:

North Route 10 Battlefield: On 3 and 4 March our National Army ambushed the enemy coming out of Ph-teah Shov, killing four, wounding five, and knocking out a tank. On 5 March our National Army's snipers killed seven soldiers and wounded nine others east of Phnum Trang. We also planted 6,000 plain stakes and 80 assorted mines. On the same day, as a result of 10 ambushes by our National Army west of Chileav and another at Trapeang Ronteah Banh, and three mine explosions triggered by the enemy, 23 enemy soldiers were killed and 17 were wounded. Four bodies were left behind on the battlefield. We destroyed one B-40 and seized one AK, one B-40, and some materiel. On 7 March our National Army launched two ambushes at Andong Thmar and two others east of Kon Phnum, killing 16 enemy soldiers, wounding 21 others, destroying one AK, one RPD, and one B-40.

West Battambang Battlefield: On 1, 2 and 3 March our National Army and the poor peasants jointly planted 23,000 plain and poison stakes around Ampil Pram Daeum, and placed 90 antitank mines and 130 antipersonnel mines. As a result of three explosions triggered

by enemy forces when they stepped on our mines, four soldiers were killed and seven were wounded. On 4 and 5 March, as a result of joint ambushes launched by our National Army and the poor peasants against the enemy coming out of Svay Chrum and Slar Khlanh and five mine explosions, six soldiers were killed and nine were wounded. We then planted 7,000 stakes and 20 assorted mines in this area. On 6 March, as a result of joint ambushes launched by our National Army and the poor peasants near Ta Kut monastery and near Pralay Mean Leak and three mine explosions, four soldiers were killed and eight were wounded. We planted 200 poison-tipped stakes and 5,000 plain stakes, felled trees to block 50 meters of road, and placed 10 antitank mines and 50 home-made bombs.

Sisophon-Poipet Battlefield: On 5 and 6 March our National Army attacked the enemy at Wat Chah and sniped them at Mak Hoen, killing two soldiers and wounding two others. We then planted 154 assorted mines. On 6 and 7 March our National Army fired two artillery rounds on a traffic circle, launched three guerrilla attacks at Mak Hoen and one at Sangke Yar pond, and launched four ambushes south of Lhong Weir, killing 21 soldiers and wounding 21 others. We then planted 15,400 plain stakes and placed 98 assorted mines. On 8 March our National Army and the people jointly dug a hole 1 and 1/2 meters deep and 3 meters wide on the enemy road between Mak Hoen and Pheas Khluon, and planted 15,000 plain stakes and 67 assorted mines on both sides of the road.

Cambodia: Activities of Alleged Drug Baron Noted
BK1203043896 Bangkok ASIA TIMES in English
12 Mar 96 p 4

[Report by Elisabeth Pisani in Phnom Penh]

[FBIS Transcribed Text] Theng Bunma does things big. He is Cambodia's biggest investor and its biggest taxpayer. Some also believe he is Cambodia's biggest drug dealer.

In agitation, Bunma waved a hand adorned with what must certainly be Cambodia's biggest sapphire. "They say I smuggle drugs. It is completely untrue," he said. He freely confessed to the first two charges, saying he paid more than US\$2 million a month in taxes to the Cambodian government.

His is a classic rags-to-riches story that started with a bus driver's assistant working in his native Kompong Cham province and went international when the Khmer Rouge rice-communists took over the country and he crossed the border to Thailand.

The base of the big-bucks pyramid was built on Thai real estate deals in the booming markets of the mid 1980s. "The price rose very high and I can say that I made good profits." How good? "I would not like to disclose that exactly because as you know, Thai authorities have very strict rules on tax collection," Bunma said with a coy grin.

Although his company, Thai Bun Rung Group, is registered in Thailand, he now does most of his trading business elsewhere. "The climate in Thailand is not right. There are too many restrictions; trade is not free enough."

Thai Boon Roong trades all manner of things, but cigarettes have been the mainstay of the business. With an eye on Vietnam's 76 million people, Bunma has Jet brand cigarettes manufactured in Indonesia. He then imports them to Cambodia and sells them to local dealers.

Why the rather circuitous route?

"You must understand, Vietnam doesn't allow cigarette imports, so it is easier to smuggle them across the border. I pay my taxes to the Cambodian government and sell to local traders and they do the rest.

There are thousands of families making a living off this trade," he said. For him, it represents an income of US\$2 million a month.

Vietnamese authorities are apparently not too upset by the trade: They have licensed Thai Bun Rung to build a cigarette factory near the southern port of Mung Tau. The factory, already under construction, will pump out a million cartons of cigarettes a month, just a quarter of Jet's total market in the country. The rest will still come through Cambodia.

Trading aside, Bunma did not start to invest in his native country until the early 1990s, when internationally-sponsored peace talks looked like they might finally put a full stop at the end of the turmoil and war to which Cambodians had been sentenced for decades.

The ethnic Chinese tycoon sold a 23-story building in Hong Kong's bustling Causeway Bay district for US\$145 million ("US\$20 million less than if I had waited another year," he said dismissively) and sunk the bulk of the money into the ravaged Cambodian economy. "I understood that there would be peace and stability here," he said. "But my friends laughed at me, telling me that I had sold a villa to buy a palm-thatched hut."

Four years later, a US\$65 million hotel and office complex is rising from a Phnom Penh boulevard and

a riverfront site is waiting for the US\$40 million that will turn the lot into serviced apartments.

In the coastal town of Kompong Som, 90 hectares of land have been marked out for the Thai Bun Rung Group; a third of that will be developed this year. A cement plant in Kampot province will swallow another US\$60 million before it begins operation in 1998.

This partial list of plum projects has left some feeling slightly dizzy. "Frankly, I think the chairman is investing too much in this country," said one of Bunma's 10 children, an executive at one of the group's subsidiaries. "It is mostly for sentimental reasons, because he wants to see peace and development in the country of his birth."

Bunma's desire to see an end to Cambodia's seemingly perpetual grind of bloodshed prompted him to dig into his pockets and underwrite the peace process. He is hazy about exactly how much he paid to whom, but does remember spending US\$30,000 to allow all four of the country's factions to attend Paris peace talks.

The factions have now rearranged themselves, and the isolated Khmer Rouge has once again taken up the gun. Bunma said he recently gave the government US\$100,000 to help pay for the annual dry season offensive against the guerrillas.

Such donations — the list is reported to include a private jet for Prime Minister Norodom Ranariddh and a limousine for his co-Premier Hun Sen — have lifted the sluice gates on a stream of allegations of bribery and favor-buying.

"When I was finance minister, he came to me and said 'What can I do to please you?'" said Sam Rangai, a politician highly critical of the government from which he has been expelled.

Bunma himself is infuriated by such talk. "I have never used that kind of [corrupt] attitude to obtain a contract from the government. Never. I would like to know which politician can say he has received money from me." The 54-year-old said donations he made for schools or roads must be fully accounted for by those accepting the money.

"What he does is exactly the same as lobbyists in Washington or at the European Union. You show me the difference," said his son.

Washington is a sore subject just now. Some months after Rangai alleged that the United States had evidence Bunma was involved in drug smuggling, Cambodia has been warned by the US that it risks losing aid unless it takes a hatchet to the traffic in heroin through the country.

Bunma has never been publicly named by the US, and even Rangai can come up with nothing more than logical supposition to link him to the trade. "We know he is involved in smuggling. Why would he hesitate to smuggle the single most profitable item?" he asked.

Rangai, who now heads a banned opposition party, alleges that Bunma is protected by the country's top leaders because the heroin trade lines important pockets. "He is a very powerful man, and he can't be used as a scapegoat. He would make the government see this: 'If you let me down, I will let everything be known.'"

The businessman flew into a diatribe at these allegations. "He talks such rubbish, I don't even know how to answer," Bunma said. "But he is out on a limb. I ask that next time he looks before he leaps."

Cambodians do not take such talk lightly — no one wants to make an enemy of someone well-connected. When Theng Bunma's name comes up in conversation people frequently recall that in 1994, an editor was shot dead in the street just days after his paper published a long and somewhat lurid biography of the businessman.

Bunma said he was tired of worrying about his critics and would like to be left to concentrate on business. Chairman of the Cambodian Chamber of Commerce, he is keen to attract more investment in infrastructure to the country and is currently discussing dry port and shipbuilding investments with Taiwanese companies.

Indonesia

Indonesian Daily: Australian Government Needs Time To Adjust

BK1203143496 Jakarta REPUBLIKA in Indonesian
12 Mar 96 p 6

[Editorial: "Australia's New Cabinet"]

[FBIS Translated Text] Our neighbor in the south, Australia, has formed a new government. Prime Minister John Howard's cabinet which consists of 27 ministers, took the oath of office on Monday. They have now officially assumed duty.

Howard, the leader of the Liberal Party and National Party coalition, scored an overwhelming victory in the Australian general election two weeks ago. He managed to beat Keating (Labor Party) who had been in power for four years.

Does this mean anything to Indonesia? Is it true that Australia is going to make a drastic change in its political orientation? Will the new government adopt a firmer attitude towards the East Timor issue, for

example, which used to be the cause of tense relations between the two neighboring countries?

During the election campaigns, Howard repeatedly emphasized that he would discriminatingly correct the political orientation of his predecessor. An important correction is: to give priority to domestic interests over foreign policy. With this, Australia will probably "forget" its ties with its Asian neighbors, something Keating had worked very hard for. He had also been a faithful sponsor of the APBC [Asia-Pacific Economic Cooperation] forum, and had special ties with Indonesia as well as with President Suharto.

Howard's promise to rectify Keating's policies has proven to be successful in attracting voters, and Howard is therefore committed to fulfilling this. For surely, he will not ignore the mandate given to him by the people. Furthermore, this is the time for the Liberal Party which he represents, to improve its standing in Australia after the domination by the Labor Party for 13 years.

After relatively "pleasant" ties with the Labor Party for 13 years, and particularly four years with Keating, it looks as if Indonesia should now be ready to face any possible changes. Although there will be no fundamental changes, the pattern and nuances of Indonesian-Australian ties will change. At least the "personal touch" in ties will change.

Foreign Minister Alexander Downer and Deputy Prime Minister Tim Fischer have tried hard to allay the fear that Australia will "forget" Asia, including Indonesia. However, Downer is a "newcomer" especially to those who have been close to Gareth Evans.

The fact that Fisher made the erroneous remark this week shows that he is not yet familiar with regional issues. Responding to questions from newsmen on the current tense relations between China and Taiwan, he said that perhaps APEC [Asia-Pacific Economic Cooperation] could reconcile them. This is a "naive" statement, because APEC is an economic forum and has no role in defense and security affairs.

However, nothing is permanent in this world. In liberal democratic countries like Australia, political orientation can change when the administration changes hands. Theoretically, this can happen every four years.

The presence of newcomers in the administration always bring about both opportunities and risks. Newcomers need time to make in-depth studies on the patterns initiated by their predecessors. At the same time, they have the potential to be more active and creative in looking at problems. It is not impossible for them to establish closer ties with Asia, particularly Indonesia.

Australia can never forget Asia, including Indonesia. In the current globalization era, no country can afford to give priority to its domestic interests and ignore the outside world. However, Australia, under the new government probably needs some time for fine tuning [preceding two words in English], consolidation, and reflection.

Indonesia: Dailies Hail Visit by Pakistan's Bhutto

BK0903135796 Jakarta Radio Republik Indonesia Network in Indonesian 0600 GMT 9 Mar 96

[From the press review]

[FBIS Translated Text] BERITA BUANA has described Pakistani Prime Minister Benazir Bhutto's visit to Indonesia as proof of the close ties between two members of the Nonaligned Movement. The two countries have always maintained close ties since the time they fought against colonialism.

In its editorial, SUARA KARYA also discussed the visit to Indonesia by the Pakistani prime minister and her entourage of businessmen that will forge closer economic and trade ties. However, careful planning and preparations are needed to realize them.

Meanwhile, ANGKATAN BERSEKUTUAN points out that Indonesia and Pakistan in fact have economic, technical and cultural cooperation agreements. However, these agreements should be updated to suit the changing situation. This daily notes bright prospects for such ties in the free trade era because the two countries have stable governments that pay great attention to their people's progress and prosperity.

Indonesia: Garuda Contingent Leaves for Bosnia Mission

BK0903141396 Jakarta ANTARA in Indonesian 1758 GMT 8 Mar 96

[FBIS Translated Text] Jakarta, 8 Mar (ANTARA) — Lieutenant General Suyono, chief of ABRI [Armed Forces of the Republic of Indonesia] General Staff, sent off Indonesia's Garuda contingent, which will begin their service in Bosnia-Herzegovina on Friday. On the same day, Suyono also installed Brigadier General Purwadi as the new commander of the Indonesian contingent in Bosnia-Herzegovina. Purwadi will replace Brig. Gen. Bambang Yudoyono, who will be recalled home.

The Indonesia's Garuda contingent consists of 37 police personnel led by Police Lieutenant Colonel Indiri Moehan and a 72-men ABRI medical team led by Major Dr. Budiono.

In his speech, Suyono urged all members of the Garuda contingent to be always cautious and wise in carrying out the UN peacekeeping mission. He said ABRI personnel serving in Bosnia-Herzegovina must be neutral and refrain from siding with any rival faction.

Indonesia: OPM Leader Says No Hostage Release Before Sep

BR1203154896 Rotterdam ALGEMEEN DAGBLAD in Dutch 12 Mar 96 p 4

[Unattributed report: "No Release for Hostages Yet"]

[FBIS Translated Text] The hostage crisis in Irian Jaya, in which two Netherlanders have already been held for eight weeks, could last several months yet. One of the leaders of the Free Papua Movement [OPM] has written to the rebels requesting the release of the 12 hostages, but has also said that they cannot be released before September.

According to Bishop Munninghof, who conducted a number of failed negotiations with the OPM in January, OPM leader Moses Weror has stated that before the hostages can be released there must be a statement by the UN General Assembly on the right of the Papuans to form an independent country. Munninghof read the statement in a number of local newspapers over recent days.

Irian Jaya has been an Indonesian province since 1963. It was at that time that the former Netherlands colony was transferred to Indonesia, under UN supervision. The UN General Assembly meets in September.

The Red Cross, which has been negotiating with the OPM for an end to the hostage crisis for several weeks, received a letter from Weror last weekend in Irian Jaya, intended for rebel leader Kelly Kwalik. The letter requests Kwalik to release the 12 people. The letter is expected to be delivered soon to Kwalik, who initiated the hostage taking.

Munninghof believes that the crucial question now is whether the Indonesian authorities, who have to date sought a peaceful end to the hostage affair, will continue to await further developments. Munninghof reports that the hostages are known to be held in a large cave about 20 or 30 kilometers from Mapunduma. "It must be almost impossible for the Indonesian Army to seize the hostages and their captors from such a location without the use of violence," believes Munninghof. In addition to the two Netherlanders, Mark van der Wal of the World Wildlife Fund and Martha Klein from UNICEF, who is pregnant, four Britons and six Indonesians are also being held. Weror told the Reuter press bureau that

nothing will happen to the hostages: "The OPM does not kill hostages."

Indonesia: Military 'Cautious' Toward OPM's Pledge

BK1203044896 Jakarta Radio Republik Indonesia Network in Indonesian 0000 GMT 12 Mar 96

[FBIS Translated Text] The Armed Forces of the Republic of Indonesia [ABRI] remain cautious regarding the pledge of the Irian Jaya security disturbance movement [GPK, official name of the OPM or Free Papua Movement] to release the researchers of the Lorentz expedition held hostage by the movement for over two months. Lieutenant General Suyono, chief of the ABRI General Staff, responded to the pledge from Mozes Weror, the self-styled chairman of the OPM Revolutionary Council, that was aired over Australian television on Monday night. He said the ABRI is waiting for the OPM to release the hostages because they have broken all the previous pledges they have made.

Regarding the possibility of certain behind the scene maneuvers in the hostage crisis, the chief of the ABRI General Staff said this assumption appears to have been reinforced by the desire of outsiders to settle the hostage crisis without coordination with the Indonesian Government, although the crisis is taking place in Indonesia.

Indonesia: Military on Alert Due to Irian Jaya Mine Riot

BK1203065396 Hong Kong AFP in English 0641 GMT 12 Mar 96

[FBIS Transcribed Text] JAKARTA, March 12 (AFP) - Thousands of people were rioting Tuesday in and around Indonesia's giant Freeport copper and gold mines in Irian Jaya, and the military has been put on alert, a military source at the mine base in Timika said.

"The situation is getting out of hand here ... the police have given up and the military is awaiting orders to take action," Corporal Zahlan of the local military unit in Timika told AFP by phone.

Captain Edi Setyadi, of the Irian Jaya military, contacted earlier by phone in Jayapura, the provincial capital, said the riots started Monday after an accident in which a local resident was injured by car driven by a Freeport employee.

Indonesia: Troops Rushed to Irian Jaya To Control Rioting

*LD1203092896 Melbourne Radio Australia
in English 0800 GMT 12 Mar 96*

[FBIS Transcribed Text] Indonesia has reportedly rushed troop reinforcements to the province of Irian Jaya to try to control rioting at the giant Freeport gold and copper mine. From Jakarta, Michael Maher reports.

[Maher] The riots are believed to have been sparked following a road accident in which a local Irianese man was knocked down by a Dutch employee of Freeport. Aid and church workers say that since the accident last weekend thousands of rioters, some armed with bows and arrows, have been on the rampage, damaging Freeport vehicles and property. After starting in the mine's base camp in Tembagapura, the trouble spread to the nearby towns of Kwalakanchana and Timika. More property was damaged and a number of Freeport cars have been hijacked. Two of the rioters are reported to have been shot in the legs by soldiers defending Timika airport. The military commander for the province of Irian Jaya has now arrived in the area and a source from a local nongovernment organization says 500 extra troops have been brought in from outside the province.

The rioting has yet to be brought under control and tribal leaders are calling for a meeting with the U.S.-based head of Freeport to discuss their grievances.

Indonesia: ABRI 'Handling' Riot at Irian Jaya Mine

*BK1203121396 Jakarta ANTARA in Indonesian
1055 GMT 12 Mar 96*

[FBIS Translated Excerpt] Jakarta 12 Mar (ANTARA) — Armed Forces Commander General Feisal Tanjung has reiterated that the ABRI [Armed Forces of the Republic of Indonesia] is currently handling the riot that started on Sunday at the P.T. Freeport Indonesia Company (FIC) complex in Tembagapura, Timika Subdistrict, Fakfak District, Irian Jaya.

"Yes, Yes, we are already handling the case," Gen. Feisal told journalists following the appointment of Major General Purwantono as General Commandant of the Indonesia Armed Forces Academy in Jakarta on Tuesday. The armed forces commander was asked to comment on the rioting incident that continued to spread at the copper and gold mines complex.

However, Gen Feisal refused to disclose details of the military action that had been taken to overcome the unrest that has been occurring since the presence of the P.T. FIC in Indonesia in the 1970's. [passage omitted covered by referent item]

Seriously Injured

Meanwhile, an ANTARA correspondent in Jayapura reported that several houses belonging to the P.T. FIC employees and a shopping complex have been extensively damaged as a result of the rioting. Three persons have been seriously injured while 12 others suffer slight cuts. The victims are receiving intensive care at the company's hospital. Rioters hurled stones at the company's offices and facilities, and are blocking the mines' tunnel at the 47 kilometer point leading toward Gunung (mount) Esberg which is rich in copper and gold.

Apart from that, the company's hospital, the employees mess, the director's office, the laboratory for environmental research, and other buildings have become targets to be destroyed by the rioters.

On Monday, representatives of the Dani ethnic group, the FIC, and the commander of 171/Praja Wiratama Military Subarea Command held talks in Timika to seek a solution to the problem.

Philippines**Philippines Government: No Plans To Repatriate Taiwan Filipinos**

*BK1103030996 Quezon City GMA-7 Radio-Television
Arts Network in Tagalog 2230 GMT 10 Mar 96*

[FBIS Translated Text] The government does not have any plans yet to repatriate 100 Filipinos working in Taiwan despite a major possibility that war will erupt in the area because of the missile tests conducted by China. In the cabinet meeting held in UP [University of the Philippines] Los Banos yesterday, Executive Secretary Ruben Torres said that the government is still studying the matter of repatriating the Filipinos from Taiwan. According to Foreign [Affairs] Undersecretary Rodolfo Severino, the government has no firm plans for any repatriation.

Meanwhile, Wilhelm Soriano, chairman of the Overseas Workers Welfare Administration, said that according to the accounts of several Filipino workers in Taiwan, the situation in Taiwan remains normal at the moment. Soriano added that repatriation of Filipinos from Taiwan will be easy because of the proximity of the two countries.

Philippines: Ramos Urges Self-Restraint in Taiwan Straits

*BK1203060996 Manila PNA in English
0740 GMT 11 Mar 96*

[Received via Internet]

[FBIS Transcribed Text] Manila, March 09 (PNA) — President Fidel V. Ramos today urged that the situation in the Taiwan Straits be allowed to return to normal as soon as possible.

In a statement, the president called on all parties directly involved "to act with the utmost self-restraint for the sake of regional stability and out of regard for the understandable concerns of neighboring countries."

The president said an increase in military-related activity in that area is a subject of legitimate Philippine interest.

The following is the full text of President Ramos' statement:

"The Philippines has been monitoring reports on the current situation in the Taiwan Straits. Since the Taiwan Straits lie so close to the Philippines, just north of the country's northernmost islands, and since the livelihood of thousands of Filipinos and a considerable portion of Philippine trade is connected with the littoral regions of the Straits, an increase in military-related activity in that area is a subject of legitimate Philippine interest.

While the Philippines is not apprehensive at this stage that armed conflict of any kind is imminent, it nonetheless urges, together with other nations of the region, that the situation in the Taiwan Straits be allowed to return to normal as soon as possible. In addition, it calls upon all parties directly involved to act with the utmost self-restraint for the understandable concerns of neighboring countries.

The Philippines fully respects the principle of noninterference in the internal affairs of other nations, and supports the peaceful reunification of China.

At the same time, the Philippines sincerely hopes that the situation in the Taiwan Straits will not be allowed to lead to any unintended erosion of longer-term regional security and regional cooperation which are of enduring and vital importance to the future progress and prosperity of all East Asian nations."

Philippines Military Chief, Senator on PRC-Taiwan Conflict

BK1203005496 Quezon City GMA-7 Radio-Television Arts Network in Tagalog 2230 GMT 11 Mar 96

[FBIS Translated Text] Senator Juan Ponce Enrile has said that the Philippines might be dragged into the China-Taiwan conflict if the United States becomes involved. According to Enrile, the Philippines has a mutual defense treaty with the United States; the Philippines would be dragged into the war on the basis of the RP [Republic of the Philippines]-U.S. Mutual Defense Treaty if the United States were to become involved.

Meanwhile, General Arturo Enrile, AFP [Armed Forces of the Philippines] chief of staff, has said that the Philippines will be dragged into a war if any of the Pacific Rim countries is attacked. Nevertheless, Enrile clarified that the direct involvement of the Philippines in the war is remote, unless the Spratlys or any other part of the Philippines is attacked directly.

Philippines Officials on Implications of PRC-Taiwan Issue

BK1203124796 Quezon City GMA-7 Radio-Television Arts Network in Tagalog 0945 GMT 12 Mar 96

[FBIS Translated Text] Tension between China and Taiwan is heightening. Right now, the United States is also readying itself. The United States has sent its nuclear-powered aircraft carrier USS Nimitz from the Persian Gulf to Taiwan to reinforce the USS Independence carrier battle group. U.S. fighter planes in that area now number 200. Here is an additional report from Tina Panganiban. Tina, come in:

[Begin Panganiban recording] The Philippines has formally asked China to maintain peace in Southeast Asia in view of the threat of war with Taiwan. More than 100,000 Chinese troops are now in Fujian Province for their live fire exercises. This is some 200 kilometers from Taiwan. According to China, tension has heightened due to the interference of the United States. The U.S. Congress is preparing a resolution that would condemn China and send more aircraft carriers near Taiwan.

Arturo Enrile, Armed Forces of the Philippines chief, denied that the United States has asked the Philippines to allow Taiwan airplanes to land here. He said Taiwan has not yet asked for our help.

The Philippine Navy assured Filipino fishermen that they are not in danger should they enter the seas where live fire exercises are being conducted by China. The Filipino fishermen are actually not fishing there.

Philippine Airlines flights to Taiwan and China remain normal, although some flights have been delayed.

Rodolfo Severino, acting secretary of the Department of Foreign Affairs, and his Chinese counterpart will meet on 13 and 14 March to discuss the China-Taiwan crisis. [end recording]

What are the plans being made by the Departments of National Defense and Foreign Affairs to prepare for the possible conflict between China and Taiwan? It appears from an earlier Congress hearing that there is none. Here is a report from Marilen Cawad. Marilen, come in:

[Begin recording.] [Cawad] The Philippines has nothing to do with the ongoing tension between China and Taiwan. This is why the Department of National Defense [DND] did not prepare a contingency plan to ensure the country's security. This was the admission made by DND Undersecretary Feliciano Gacis during a joint hearing conducted by the House Committees on Foreign Affairs and National Defense. According to Gacis, it is not apparent that China will invade us.

This statement angered committee members. According to Congressman Ciriaco Alfelor, the situation is serious. So even though the threat of war is still not there, the Department of National Defense should at least have contingency measures by now.

[Alfelor, in English] I was expecting from the Department of National Defense that they should at least, specifically, tell us what steps they will undertake in case there will be war between Red China and Taiwan; and, according to them, that they cannot do anything about it and they do not have the capabilities.

[Cawad] Congressman Raul Gonzales said it is not right for us Filipinos, to continue relying on the RP [Republic of the Philippines]-U.S. Mutual Defense Treaty.

[Gonzales, in English] It [word indistinct] for us to say that we can defend the Philippines, but what we have to say is that we should not rely on the U.S.-Philippines Mutual Defense Treaty, which is trying to assert that we should only, the terms we have right now is the Philippines-U.S. Mutual Defense Treaty. I do not want to agree with that because the United States will help depending on its own interests.

[Cawad] The tension in our neighboring countries is brewing, but here in the Philippines, the DND says we do not have to worry about it. The congressmen responded that a lack of plan or contingency measures is enough reason for us to be worried. This is Marilen Cawad from Congress, reporting. [end recording]

Neither the United States nor Taiwan has asked for the Philippines' help should war break-out between China

and Taiwan. Congress says we will not automatically join the conflict. Here is a report from Grace de la Pena. Grace, come in:

[Begin recording.] [de la Pena] The Department of National Defense today denied that the United States reportedly asked permission to conduct military exercises here. Reports claim this request is connected to the ongoing tension between China and Taiwan. The U.S. request was reportedly sent to the Department of Foreign Affairs, which handed it over to the Department of National Defense. According to Defense Secretary Renato De Villa, they did not receive this request from the United States.

[De Villa, in English] There's the condition that it must be in the Pacific area or in the Pacific region. So, there are legal nuances and processes that must be satisfied before any commitment can be made on the ground.

[de la Pena] There are those who were saying that the Philippines might be caught in the middle of a war between China and Taiwan. We have a One-China Policy, but if the United States joins in the conflict, we also must abide by the Mutual Defense Treaty.

According to Congressman Jaime Lopez, chairman of the Foreign Relations Committee at the lower house of Congress, we should not just follow the Mutual Defense Treaty with the United States. Lopez said the One-China Policy is more important and that the Philippines' decision must be in the country's best interest. [end recording]

Philippines Official on Repatriating Citizens From Taiwan

BK1203125796 Quezon City GMA-7 Radio-Television Arts Network in Tagalog 0945 GMT 12 Mar 96

[FBIS Translated Excerpt] What is the Department of Labor and Employment doing or planning for the thousands of Filipinos working in Taiwan? Let us find out from Mao de la Cruz's live report. Mao, come in:

[Begin live relay] [De la Cruz] The government is planning to repatriate an estimated 100,000 Filipino workers in Taiwan in the event it goes to war with China. Beside me is Labor Attache to Taiwan Dante Ardivilla. Sir, what are your plans to repatriate the Filipino workers in Taiwan?

[Ardivilla] The Department of Labor has an office in Taipei, Taiwan. We are attached to the Manila Economic and Cultural Office [MECO] under Ambassador Fernandez. A contingency plan is being worked out, and we have pinpointed three holding areas — one in Taipei, one in Taichung, and one in Kaohsiung. These

three areas are near factories or in construction sites, where there are many Filipinos working.

What we are doing now is that almost everyday, MECO employees are going out to disseminate information to Filipino workers in those areas that in case something happens, they should go to these holding areas. MECO has offices in Taipei, Taichung, and in Kaohsiung.

We have also coordinated with the religious and non-governmental organizations, especially with Catholic churches to use the church, school, and areas under these religious organizations. [passage omitted] [end live relay]

Philippines Armed Forces Not Asked To Assist U.S., Taiwan

BK1203053996 *Quezon City Radio Filipinas*
in English 0230 GMT 12 Mar 96

[FBIS Transcribed Text] Armed Forces Chief Arturo Enrile denied reports that Taiwan and the U.S. have asked to use Philippine military resources in connection with the heightened tensions in China. Enrile told newsmen that joint RP [Republic of the Philippines]-U.S. military exercises next month are part of a regular series and not connected with the China-Taiwan crisis. He denied any knowledge of a Japanese report that a Taiwanese emissary has visited Manila to ask for assistance from the AFP [Armed Forces of the Philippines], including permission for Taiwan to use local airports and harbors. During the same news conference, General Enrile assured that the Philippines is ready in case war should erupt between China and Taiwan.

Even as this developed, China has told Taiwan to abandon dreams of independence if it (needs) to ease the tension in the area. This tension has prompted the United States to send warships to monitor the worst crises in Taiwan Straits for decades.

In Taiwan, government spokesman (Tze Teng-huo) welcomes the United States ships as good for Asian peace and said Taiwan does not want war. Taiwan's President Lee Teng-hui, responding to China's move to intimidate the island with missile tests and military exercises ahead of next week's presidential elections said, China is testing the nerve of Taiwan's 21 million people.

Philippines Editorial Views US Role in Mindanao Conflict

BK1103062196 *Manila THE MANILA CHRONICLE*
in English 5 Mar 96 p 4

[Editorial: "A Question of Autonomy"]

[FBIS Transcribed Text] There is good reason for the growing apprehension over the fate of peace talks between the government and Muslim separatist forces in Mindanao. Central to the fate of the talks is the question of the extent of Muslim autonomy: How large a territory should it cover and how is the matter to be decided? The continuing failure of government and Muslim rebel panels to agree on this has left Mindanao and the entire country once more in the grip of a possible renewal of war, which threatens to destroy everything so far built to ensure the economic growth and development of both the troubled island and the country of which it remains a part.

It would appear that the Muslim separatist demand for an expansion of the extent of Muslim autonomy beyond the present area covered by the Autonomous Region for Muslim Mindanao (ARMM) and its refusal to subject the matter to an island-wide plebiscite are unreasonable. In a democracy, the majority rules, and if the Christian majority in Mindanao refuses to be covered by a politically autonomous Muslim minority, which group should prevail?

But the conflict which the peace talks is trying to resolve cannot be simplified, as some quarters would wish the public to, into a mere fight between two groups of differing religious persuasions.

For at the root of the poverty and violence in Mindanao is the historic usurpation by the US colonial government and Filipino elites of the rich island's vast lands and natural wealth, as well as the dispossession of the island's original occupants, the 13 ethnolinguistic groups that now make up the Bangsa Moro peoples.

A brief review of history shows exactly how this was done, beginning with the Treaty of Paris in 1898 which abrogated to the US colonial government the ownership of all lands nationwide, including Mindanao. Enforced through war at the cost of millions of Filipino lives, this treaty was followed up by a series of laws legalizing land usurpation — the Land Registration Act of 1902, providing for the systematic registration of land ownership under the Torrens titling system; the Philippine Bill of 1902, which provided for as much as 1,604 hectares of land per corporation and only 16 hectares per individual; and the Public Land Act of 1902, which automatically classified lands yet unregistered as public lands.

Only big firms and the families of wealthy Muslim datus [chieftains] or sultans took advantage of these laws while the rest of the Bangsa Moro peoples either refused or forgot to register their lands. This was in line with a centuries-old customary law, affirmed by Islam, stating there to be no absolute ownership of what belongs to God and extending mere stewardship or trusteeship of God's wealth to man.

From 1913 to 1917, the US colonial government established seven agricultural colonies in Mindanao, made up mostly of Christian peasant families as well as some "undesirables and tough guys" from Luzon and the Visayas. The move aimed to defuse an emerging peasant unrest in Luzon, dump the toughies and undesirables from the other islands and use the latter to quell all forms of dissent from the Bangsa Moro peoples. One congressman was said to have described Mindanao as "the promised land of the undesirables of Luzon and the Visayas."

To further create tension and animosity between Christian and Muslim groups in Mindanao, the US colonial government entitled Christian migrant families to 16 hectares of public land each while reducing the share of Bangsa Moro families to 10 hectares and later, only eight. It also used a predominantly Christian Philippine Constabulary to ensure in Mindanao the peace of the graveyard.

It is only in this context that one can rightly view developments in Mindanao — squalor amid wealth, the marginalization of the Bangsa Moro peoples under a predominantly Christian democracy, the rise of private armies of competing Muslim and Christian elites and continuing violence over land and other properties.

Peace in Mindanao can only be achieved if the government effectively addresses historic injustices suffered by the Bangsa Moro peoples at the hands of the US colonial government and Filipino elites. And the government panel's insistence on a plebiscite to decide the territorial extent of Muslim autonomy in Mindanao does not address the injustice but rather worsens it, and makes the government part of the problem rather than the solution to the threat of a Mindanao war.

Philippines: Belgium's Philippe Heads Business Mission

*BR1203160396 Brussels LA LIBRE BELGIQUE
in French 12 Mar 96 p 13*

[Article by Pierre Loppe: "Belgian Smiles in the Philippines"]

[FBIS Translated Text] Are the Filipinos, as is sometimes claimed, the most hospitable of the Asians? They

are clearly always ready with a smile. It is an infectious quality, as proved by the Belgian mission, headed by Prince Philippe, which has been in Manila since Saturday [9 March]. The atmosphere is very relaxed among members of the delegations and the contacts look promising, we are assured. Let us believe it. Prince Philippe, whose name strikes a chord with the people of the Philippines, is certainly smiling. On the front page of the *PHILIPPINE STAR* we see him visiting the historic district of Manila with a necklace of orchids around his neck, then at the controls of the memorable subway train which was the glory of Belgian industry in the early 1980's.

Welcomed together with the full delegation contingent by Philippine President Ramos at the Malacanang Palace, he is unable to conceal his pleasure, having requested the 80 businessmen accompanying him in Manila to present "individually and collectively the best possible image of Belgium, this modern and federal country." Belgian Ambassador Rudi Schellinck described the Philippines as a country of "warmth, charm, and... chaos," thus indicating that this country needs partners like the Belgians in order to confirm its economic recovery after the black years of the Marcos dictatorship and to build on the democratic renewal which followed.

The Philippines clearly have much to prove and ground to make up before qualifying as a member of the select club of South-East Asia's "dragons."

ACEC Transports

The Belgian businessmen are smiling too. Following in the footsteps of Prince Philippe and with the backing of the Belgian authorities, Minister Pinxten, responsible for small and medium-sized enterprises and agriculture, signed a number of standard conventions in the area of social security, taxation, and the protection of investments, and ratified an intergovernment loan of 150 million Belgian francs [Bfr] which should allow Acec Transports, a Gec-Alsthom subsidiary, to carry out a much needed renovation of the Manila subway. Apart from the compartment repainted for the prince's visit, most of the trains are in poor condition and the network must be revised. Will an order for 28 cars be placed with Belgium, as is hoped here? Will our country be involved in building a second line (east-west)? The hopes are all the higher as work is soon to start on a total of four new lines. But the competition is very keen, especially from the Japanese....

UCB, Dredging, and Others

Other companies are rubbing their hands. UCB, already well-represented in the area, has announced the opening

of a pharmaceutical subsidiary, while Dredging has announced land reclamation works covering 217 hectares in the south of the country (Davao City) in association with a Hong Kong consortium. It should mean a good BFR1 billion for the coffers of this Zwijsdrecht company. Meanwhile, Kredietbank, the pioneer among Belgian banks which have opted for Tokyo, Hong Kong or Singapore, is opening a representation office in the capital.

Other companies which could successfully conclude their Philippine trip include CMI, De Nul, Leenders, and Opticable. But be patient, the serious business is only just beginning....

Philippines: 4 Bilateral Agreements Signed With Belgium

*BK1203063096 Manila BUSINESS WORLD
in English 12 Mar 96*

[Unattributed report — received via Internet]

[FBIS Transcribed Text] The Philippines and Belgium yesterday moved to improve their scant economic interactions by concluding four agreements. President Ramos and visiting Belgian Crown Prince Philippe witnessed the signing of four bilateral agreements: avoidance of double taxation, rehabilitation of the Light Rail Transit system worth P[pesos] 112 million in loans, the promotion and protection of investments, and social security.

Mr. Ramos told Prince Philippe and his 80-member delegation the Philippines is well on its way to modernization and has proven its potential to absorb large investments. He specifically urged them to move Belgian involvement in the Philippines from the traditional realm of education and culture, as well as from such assistance on hosting of peace talks between government and the National Democratic Front, the Belgian Agrarian Reform Support Project and the pilot project against women trafficking. He encouraged them, instead, to begin considering the Philippines more as a serious trade partner and potential investment destination. He noted Belgium had committed 900 million Belgian Francs — approximately \$30 million — under the recently signed Memorandum of Understanding on Development Cooperation for 1997 to 1999 to support such projects under the social reform agenda as health, education, agriculture, and small- and medium-scale enterprises. But Mr. Ramos lamented that the bilateral balance of trade remained heavily in Belgium's favor, despite the fact RP-Belgian trade volume had increased to \$203 million from \$141 million in the past seven years.

Philippines Government Urged To Reconsider Muslim Policy

*BK0803091796 Manila PNA in English
0831 GMT 7 Mar 96*

[Received via Internet]

[FBIS Transcribed Excerpt] Manila, Mar. 07 (PNA) — Following are the top stories and excerpts of commentaries in the major English-language Philippine newspapers today: [passage omitted]

EDITORIALS/COMMENTARIES (EXCERPTS) [passage omitted]

STAR (Policy of restraint not working): Between the communists and the Muslim secessionists, bets for peace were heavier on the Muslims. Nur Misuari appeared to have far better control over his men than Jose Ma. [Maria] Sison [Communist Party of the Philippines chief], and Misuari has always been more willing to talk, with goading from the Organization of Islamic Conference.

Just weeks ago, hopes were up that a final peace settlement was at hand in Mindanao. How could such high hopes be dashed so soon?

An intransigent Misuari set the ugly tone by warning that war would resume in Mindanao if the government refused to give in to his conditions for peace.

Misuari wants 13 provinces and cities handed to him and the Moro National Liberation Front [MNLF] on a silver platter, as stipulated in the agreement the MNLF forged in Tripoli, Libya with the Marcos administration in 1976.

Misuari wants this done without consulting the majority of residents in the affected areas who happen to be Roman Catholic.

The people of Mindanao have already made their sentiments clear on this, when only four provinces and one city voted to be part of the autonomous Muslim region.

Misuari is obviously more scared of another rebuff than the resumption of bloodshed.

No one wants to be the first to ruin peace talks. But, as has been said, sometimes it is necessary to wage war to achieve peace. Those who refuse to listen to reason understand the language only of brute force.

If Misuari is serious about his threat, it is time for the government to reconsider this policy of restraint. [passage omitted]

Philippines: MNLF, Military Chief View Recent Bombings*BK1203031296 Quezon City GMA-7 Radio-Television Arts Network in Tagalog 2230 GMT 11 Mar 96*

[FBIS Translated Text] Armed Forces Chief Arturo Enrile has said that those responsible for the recent bombings in Zamboanga want to spread terror and violence and aim to destroy the peace talks between the MNLF [Moro National Liberation Front] and the government. MNLF Chairman Nur Misuari has expressed agreement. Misuari blamed the bombings on several factions that aim to destroy the peace talks. Meanwhile, the MNLF has denied any involvement in the bombings. Enrile has ordered the military to increase surveillance to prevent more attempts at violence.

On the other hand, Zamboanga Archbishop Carmelo Morelo has asked the residents of Zamboanga for restraint in connection with the recent bombings. According to Morelo, Muslims and Christians should continue to cooperate to achieve peace. He also called on the residents not to allow themselves to be used by those who want to sow violence. He said that blaming each other will just worsen the situation caused by the bombings.

Meanwhile, Congresswoman Maria Clara Lobregat has warned that the residents of Zamboanga will be forced to carry firearms if the government cannot stop the bombings in the city. Lobregat issued the warning after another bombing took place in a market in Zamboanga. Nevertheless, Lobregat has assured that she will not stop in opposing the autonomy that the MNLF is seeking.

[Begin Lobregat recording, in English] I received an advice from the director of the CMC [Central Mindanao Command] Regional Director General Gabuna saying that I was one of those targeted for assassination because I am very vocal against the inclusion of Zamboanga City in the area of Muslim Mindanao. Now, if they think that they will stop me from that, then I am [word indistinct] more than ever in saying that, these, these are reasons you see now, that the reasons, what they are doing, they are scaring us. We will not be scared. [end recording].

Meanwhile, a bomb explosion took place outside a church in Isabela, Basilan. According to a report from Superintendent Constantino Sayson, the explosion took place at 2000 on 10 March. According to the police, the bomb was supposed to explode inside the church, but the suspects made a mistake. Therefore, the bomb exploded outside the church.

Philippines: Military Deploys More Troops in Mindanao*BK1203053696 Quezon City Radio Filipinas in English 0230 GMT 12 Mar 96*

[FBIS Transcribed Text] More military troops will be deployed to secure churches and mosques in the wake of terrorist bomb attacks in Mindanao. The directive was issued by AFP [Armed Forces of the Philippines] Chief Arturo Enrile, as two more bombing attempts were reported. One of these occurred at a public square near the Roman Catholic church in Isabela, Basilan the other night. Another bombing incident occurred in a public market in Zamboanga City yesterday morning.

The terrorist attacks began last Sunday when three people injured after two bombs exploded outside two Roman Catholic churches in Zamboanga.

The military is trying to identify perpetrators behind attacks believed to be members of terrorists or extremist groups. Enrile said the bombings were intended to sow panic and drive a wedge between Christian and Muslim residents in the region.

For his part, outgoing DILG [Department of Interior and Local Government] Secretary Rafael Alunan said the spate of bombings will not derail the Mindanao peace process. However, he aired his own suspicion as to who are responsible for the bombings.

Thailand**Thailand: Surakiat Says Deficit To Ease in 2d Quarter***BK0903135096 Bangkok Radio Thailand Network in English 0000 GMT 9 Mar 96*

[FBIS Transcribed Text] Finance Minister Surakiat Sathianthai points out that the problem concerning the current account deficit will be eased in the second quarter of this year.

Minister Surakiat says his ministry has set a target to bring down the current account deficit to 3.5 to 4 percent [of the GDP] by the year 2000. He says fiscal and monetary measures alone can not curb the current account deficit problem. The minister says this problem has resulted from the fluctuation of currency exchange rates and high imports since last year. However, he believes the problem will be temporary and no country in the world will be able to bring it under control within one year. To reduce the current account deficit, he says long term measures must be worked out.

Minister Surakiat stresses the need to continue the balanced national budget as the main policy since

Thailand suffers huge trade and current account deficit. He adds that the measures to maintain high interest rates are still necessary for the stability of the country's economy.

Thailand: Surakiat Previews APEC Finance Ministers Meeting

BK0903132096 Bangkok BANGKOK POST
in English 9 Mar 96 p 22

[Report by Wichit Sirithawiphon]

[FBIS Transcribed Text] Thailand will press for greater cooperation on infrastructure development at this month's Asia-Pacific Economic Cooperation (APEC) Finance Ministers' meeting in Japan.

Finance Minister Surakiat Sathianthai said certain members of APEC, such as the US and Japan, could use their advanced technologies to assist developing countries to develop their telecommunications facilities and other basic infrastructure needs.

As well, he said APEC members should allow developed countries to invest more in manufacturing parts in Thailand.

The third meeting of APEC finance ministers will be held in Kyoto on March 16-17, with key discussions to be held on the effect of capital inflow on APEC economies, foreign exchange volatility, and infrastructure development.

Mr Surakiat said Thailand believed developed APEC countries should join forces to develop infrastructure in Indochina and Burma.

However, he said the finance ministers would all have to discuss the subject and see whether they could agree to the principle.

Finance ministers from seven ASEAN-bloc nations plan to meet informally in Japan before the APEC finance ministers' meeting takes place, he said, adding that his Vietnamese counterpart would be invited to attend the ASEAN meeting.

The ASEAN informal meeting will discuss financial liberalisation among member states as well as the repurchase agreement, a mechanism aimed at bailing out ASEAN members in financial crisis.

Mr Surakiat said ASEAN would like to set up an organisation, to be run like an ASEAN central bank, to make it possible to transfer funds among member countries.

The last ASEAN finance ministers' meeting took place in Bangkok last December.

Thailand: Officials Preview Banhan's Visit to Burma

BK0903121896 Bangkok BANGKOK POST
in English 9 Mar 96 p 6

[Unattributed report]

[FBIS Transcribed Text] The Prime Minister is expected to call for work to be resumed on the Thai-Burmese Friendship Bridge when he visits Rangoon on March 17-18.

And he will press for the Thai-Burmese Joint Boundary Committee to convene as soon as possible in order to settle demarcation of the common border.

Deputy Permanent Secretary Sarot Chawanawirat said Banhan's visit would "strengthen mutual understanding and cooperation" between the two countries.

Mr Sarot was speaking after a meeting to prepare for the visit attended by officials from the Defence, Interior and Commerce ministries.

Work on the bridge across the Moei river was suspended last June after Burma accused Thailand of seeking to adjust the natural border marked by the river.

Foreign Minister Kasemsamson Kasemsi said Thailand had demonstrated its sincerity on March 7 by removing the earth in the section of the Moei river between the Thai side and an islet claimed by the Burmese side.

"We'll let the 30-rai islet go. It won't belong to Burma or Thailand. The demarcation of the common border will be based on each side's being consistent with the Siam-Britain Treaty," Mr Kasemsamson said.

Mr Sarot pointed out that Thai nationals had filled the section of the river between the Thai side and the islet because they wanted to trade.

As for the demarcation of the 2,401-km common border he said the Burmese side had expressed willingness to open talks.

Rangoon had earlier asked for time to settle demarcation with its other two neighbours Laos and China.

Mr Sarot said Thailand would like to resolve two ambiguous areas: first at Ban Mae Kon Ken in Mae Sot district of Tak province, where the Moei river changed course in August 1993, and at Doi Lang and Huai Ha in Mae Hong Song.

Mr Kasemsamson said the Joint Boundary Committee could start talks as soon as possible as its new chairman Deputy Foreign Minister Charat Phuachuai had already expressed his eagerness to begin.

Thai Officials View Burmese Border Issues, Clashes in Burma*BK1003113796 Bangkok THE SUNDAY POST in English 10 Mar 96 p 3**[Unattributed report]*

[FBIS Transcribed Text] Foreign Minister Kasemsamson Kasemai yesterday dismissed claims that the channel being dug in the Moei River under the Thai-Burmese Friendship Bridge would cause Thailand to lose 30 rai of territory to Burma.

The foreign minister said the digging of the channel, estimated to be one kilometre long, eight metres wide and one metre deep, showed Thailand was sincere about resolving border disputes with Burma.

Rangoon alleged Thailand had encroached on the Moei River when a channel, running from the Thai side to an islet in the river, was filled in with soil.

The Rangoon junta charged this created new land on the Thai side between the river bank and the islet.

Rangoon has made the restoration of the channel a precondition for reopening the border in Tak's Mae Sot District.

Local officials said filling in the channel created an extra 30 rai of land for Thailand and dredging it would mean the Kingdom would lose that territory.

Hundreds of leaflets criticizing the Government and the military for submitting to Burmese pressure over the digging of the channel were distributed around Mae Sot.

The leaflets said it was a pity to see that the present administrators had dug up the country's land to please the military regime in Burma.

However, Sarot Chawanawirai, deputy permanent secretary for foreign affairs, said yesterday the digging was justified because there was an islet there originally.

"The digging doesn't mean we are giving the land to Burma. There was an islet there before and we filled in the channel to create new land," Mr Sarot said.

M.R. [Mom Ratchawong - royal title] Kasemsamson also said once the digging was finished the islet would belong to neither country as both agreed to accept the river bank as their border line.

Burma's Lt-Col Kyaw Hlaing, chairman of the local Thai-Burma Border Committee, on Friday called a surprise meeting with Thai border officials to say Burma was still dissatisfied with the digging of the channel.

"Burma feels we (Thailand) have not dug far enough into Thai territory," said a local source.

In Mae Hong Son, Rangoon troops captured two strongholds of the Karenni National Progressive Party (KNPP) along the border last week.

The rebels fled to other bases and to cross the Salween River into other Burmese towns, according to a source.

The government troops bombarded the two KNPP bases with artillery for five days from their mountainous stronghold opposite Ban Doi Saeng border crossing in Tambon Pang Mu, Mae Hong Son.

The barrage started on March 2 and the bases at Ban Na Un and Huai Buk fell to the Rangoon forces on Wednesday.

Despite the gains, Rangoon troops sustained more casualties than the rebels, the source said.

Two rebels died and five were injured while more than 100 Rangoon soldiers were believed killed and injured, the source said.

Rangoon is eager to capture the two bases because it wants to wrest control of the timber trade in the area from the KNPP, the source said.

Thai Official Issues Statement on Koh Kut Island*BK0903114596 Bangkok THAILAND TIMES in English 9 Mar 96 p A 2*

[FBIS Transcribed Text] Bangkok — The Ministry of Foreign Affairs yesterday issued a statement shedding light on the issue of Koh Kut island which strained Thai-Cambodian relations recently.

According to the ministry, a local Cambodian daily, REAKSMEI KAMPUCHEA, reported not so long ago that Koh Kut once belonged to Cambodia and was seized by Thai naval forces during the reign of the Khmer Rouge.

In order to register Thailand's concern over the said press report, the Director-General of the Treaty and Legal Affairs Department of the Ministry of Foreign Affairs, Mr Sombun Sa-ngiambut, conferred with Mr Sar Sambat, Minister-Counsellor of the Cambodian embassy.

Mr Sar said that the concerned press report does not represent the official position of the royal government of Cambodia. He also reasoned that Cambodian press often reports stories that caused misunderstanding between Cambodia and its neighbors.

On the other hand, Mr Sombun requested Mr Sar to impart Thailand's concern over the said press report to the Cambodian government so that measures will be

taken to correct understanding among the Cambodian media.

According to the Foreign Affairs Ministry, the Cambodian press report was "made without proper understanding and knowledge that the boundary between Thailand and Cambodia was delimited by the Treaty between Siam and French Indochina AD 1907."

Mr Sar promised to convey the matter to the Cambodian government so as to correct the erroneous report and prevent the occurrence of a similar incident in the future.

Thailand: Thaksin Questions Need for Military Satellite

BK0903120196 Bangkok BANGKOK POST
in English 9 Mar 96 p 1

[Report by Yuwadi Thanyasiri]

[FBIS Transcribed Text] Deputy Prime Minister Thaksin Chinnawat yesterday questioned the need for a proposed 26 billion baht military satellite system and urged the Government to think hard before spending so much taxpayers' money on the project.

Mr Thaksin warned that it was likely the huge investment may not be cost effective.

He questioned whether the country could actually afford to spend so much of the national budget on the project and whether such a huge cost could even be justified.

His concern follows the Defence Ministry's decision on Wednesday to open bidding for the project which has reportedly attracted a number of prospective foreign companies.

The ministry is confident launching the satellite will boost the armed forces' communications capability.

The project, initiated by Defence Minister Chawalit Yongchaiyut when he was supreme commander seven years ago, will soon be tabled for cabinet consideration.

Once launched the powerful Star of Siam satellite system would cover an area one third of the earth's surface. The satellite, offering 12 years service, is scheduled to be launched in the year 2000.

But Mr Thaksin doubted whether Thailand could afford to take on such a huge project which he claims may not be fully utilised.

The Defence Ministry panel studying the feasibility of the project must give careful thought to purchasing the communication satellite, he said.

Budget constraints have prompted the Government to drop many projects deemed "unviable and unnecessary," said the Phalang Tham Party leader.

The Government should not get into the habit of starting large-scale projects without preparing enough budget to cover them, he warned.

"What worries me is, at the end of the day, the remaining tied-over funds (from the project) will leave future governments with no space to breathe and no money to venture into new projects," said Mr Thaksin.

The 26-billion baht price tag, he said, was too high, considering a third ThaiCom satellite which his company, Chinnawat Satellite, plans to launch, is much cheaper at four billion baht.

Chinnawat Satellite won the government concession and monopolises the supply of satellites to the government and private sectors. Two ThaiCom satellites are currently in orbit.

The national security issue alone should not carry enough weight for the armed forces to have its own satellite, Mr Thaksin said.

He said there had been no complaints that the country's lease of Indonesia's Palapa satellite posed the risk of national security secrets being leaked.

The Star of Siam system has two communications frequency bands — the X-band and the KU-band. The first is reserved for military use.

Mr Thaksin said only four countries have satellites with the X- band system.

"Even England, a major satellite manufacturer which has offered to sell the satellite to Thailand, does not have the X-band type of its own," he said.

Mr Thaksin said ThaiCom satellites are suitable for both the commercial and military use, though he admitted the Star of Siam is superior in safeguarding secret military information.

"But we need to ask ourselves what secret we are talking about, and whether there is any emergency so real that the Government must fork out 26 billion baht," Mr Thaksin said.

The Government must be prudent in spending taxpayers' money, he said.

Mr Thaksin said he had little idea of the satellite purchasing details, but what bothered him most was the cost effectiveness of the project.

He said Chinnawat Satellite company would not be affected by the project which could take away some of its customers — the armed forces.

Thailand: Official Says Telecom Master Plan Delay Likely

*BK0903125396 Bangkok BANGKOK POST
in English 9 Mar 96 p 22*

[Unattributed report]

[FBIS Transcribed Text] The country's Telecom Master Plan is not likely to meet its October 1998 target for telecommunications liberalisation, according to Sombat Uthaisang, deputy minister of Transport and Communications.

The Cabinet secretary-general is waiting for comments about the master plan from the National Economic and Social Development Board and the Finance Ministry, Mr Sombat said yesterday.

The matter has to be considered carefully because the master plan calls for the privatisation of both the Telephone Organisation of Thailand and the Communication Authority of Thailand.

Under the original schedule, the Cabinet was to amend two key telecom regulations this month.

However, this is not possible since the plan has not been submitted to the Cabinet.

In another development an arbitration committee has finalised a ruling in a conflict between the TOT and Comlink Co. It said the TOT must pay three billion baht in compensation to Comlink, said Mr Sombat.

However, this might not be the last ruling and the case could still be headed for the courts, he added.

Comlink accused the TOT of using compression devices illegally to increase the capacity of the long-distance telephone circuits it rents from Comlink.

The compression technology was paid for by cellular phone operator Advanced Info Service and "donated" to the TOT.

Vietnam**SRV Foreign Ministry Protests U.S. Embargo Against Cuba**

*BK1103124896 Hanoi Voice of Vietnam Network
in Vietnamese 1100 GMT 11 Mar 96*

[FBIS Translated Text] In response to foreign reporter's questions about the Helms-Burton Bill, the SRV Foreign Ministry spokesperson on 11 March said: The approval of the Helms-Burton Bill strengthens the U.S. embargo against Cuba. It is an act aimed to create more difficulties for the Cuban people in their daily life. The bill blocks Cuba's economic development and damages trade relations between Cuba and other countries.

The spokesperson said that this act is in defiance of international law and runs counter to the trend of peace, cooperation, and development. The act has been strongly opposed by many countries in the world.

In the spirit of various UN resolutions, Vietnam voices its protest and demands an end to the many U.S. unilateral measures against Cuba. Vietnam asserts its unwavering solidarity with the Cuban people against this serious threat.

SRV: Visiting Thai Businessmen Want Government Support in Ventures

*BK0903122096 Bangkok BANGKOK POST
in English 9 Mar 96 p 6*

[Report by Achara Atchayakachai]

[FBIS Transcribed Text] Hanoi — Thai businessmen in Vietnam yesterday criticised the Government for its lack of sustained and effective support in facilitating Thai investment in that country.

Around 50 Thai investors voiced their concern at a meeting in the Vietnamese capital with government officials from various agencies including the Foreign Ministry, Board of Investment and Export-Import Bank.

The meeting was held following a visit to Vietnam last month by Gen Siri Thiwaphan chief adviser to Foreign Minister Kasemsamson Kasemsi, to check on Thailand's situation regarding trade and investment here.

Thai investors attending the meeting urged the Government to set up an information centre to provide Thai businessmen in Vietnam with up-to-date data to help them make business decisions.

"When will we get a coordinating centre which is fully equipped with financial services and well-informed staff to support our private sector like Japan and other countries have," said a veteran Thai businessmen.

Lack of proper and up-to-date information has caused new-comers to face unexpected problems after arriving in Vietnam because they are ill-prepared, they added.

Other problems which impede Thais from participating in business ventures in Vietnam include land use rights which cannot be used as collateral for loans, the complexity of the taxation system and related procedures, the changing policy of the Vietnamese government, unexpected and undesirable costs in business contacts and management conflicts in joint venture projects.

They blamed the Government for the lack of coordination among various state agencies which were formed to assist the private sector in doing business in Vietnam.

The functions of these agencies are not orchestrated and there is also a lack of coordination among them, they added.

They urged the Government to speed up its plan, proposed by Finance Minister Surakiat Sathianthai during his visit to Vietnam last August, to tap the Indochina Fund in order to raise Thailand's profile here.

Bureaucratic procedures have delayed the initiative with only some 375 million baht out of the proposed five-year budget of 5,000 million baht having so far been allocated to it, the director-general of the Foreign Ministry's Economic Affairs Department Kopsak Chutikun said.

Thailand ranks 13th among foreign countries in terms of investment in Vietnam with 57 projects worth US\$468 million. Observers noted, however that Thailand's performance should be better given its close geographical proximity to Vietnam.

"We need financial support from the Government to compete with other investors who are rapidly raising their profiles here," a Thai businessman said.

The fund is primarily aimed at providing assistance for infrastructure projects which are not commercially viable for Thai investors. However, "it can also be used as a direct source of funding for Thai investors," a Thai diplomat based in Hanoi said.

"But the problem is that the finance minister, who was the one who supported and pushed the plan, has been under serious attack in the Parliament. So we don't know if the project will move forward quickly or not, that's still the problem," the diplomat added.

The Exim Bank, which is supposed to be the major source of funding for Thai investment projects overseas, has also been operating with limitations.

With registered capital of only 2,500 million baht, the bank has tried its best to offer syndicated loans with commercial banks so the funding can be blended with private sources to lower the interest rate

The Thai Consul-General in Ho Chi Minh City, Sanan-Chat Thephatsadin, proposed hiring legal advisers and lobbyists in Vietnam to gain access to important government information for Thai investors here.

The idea is supported by Thai businessmen who have experienced problems in trying to deal with Vietnamese government agencies.

"We have hired lobbyists in Washington and will do the same in Brussels. So why not in Hanoi? The proposal is in line with government policy," Mr Kopsak said.

But the Thai Ambassador to Vietnam, Chaloeiphon Ek-uru, cautioned that the proposed idea needed careful study first.

Malaysian Premier Urges Promotion of Economic Cooperation

BK1003101096 Kuala Lumpur SUNDAY STAR
in English 10 Mar 96

[Unattributed report — received via Internet]

[FBIS Transcribed Text] Ho Chi Minh City: Malaysia and Vietnam should find complementary areas for trade and investment to optimise utilisation of resources in the East Asia region, Datuk Sri Dr Mahathir Mohamed said yesterday.

The Prime Minister said both countries must work together to enhance bilateral economic co-operation and share the growth of the region.

"East Asian export-led growth is now fast becoming sustained by demand from within the region.

"The World Bank estimates that between 1992 and 2000, 45 percent of all new purchasing power will be in this part of the world with 400 million consumers," he said at a luncheon for Malaysian and Vietnamese businessmen here.

Dr Mahathir said with the establishment of the ASEAN Free Trade Area and as a member of ASEAN, Malaysia was fully committed to sharing its experiences with Vietnam.

"Trade has acted as an engine of growth in most countries in East Asia. Malaysia advocates bilateral trade relations with countries in this region with the hope of complementing our resources and competitive advantages," he added.

Dr Mahathir said increasing bilateral trade with Vietnam proved the existence of many complementary areas among the two economies.

SRV: Malaysian Prime Minister 'Happy' With Outcome of Visit

BK1003124596 Kuala Lumpur SUNDAY STAR
in English 10 Mar 96

[Report by Mergawati Zulfikar — received via Internet]

[FBIS Transcribed Text] Ho Chi Minh City: Prime Minister Datuk Sri Dr Mahathir Mohamed expects a surge in the number of Malaysian investors in Vietnam and wants them to be ready to face competition.

He said Malaysian businessmen were now actively involved in Vietnam and noted the progress achieved since his last visit four years ago.

"I am confident Malaysians will increase their investment," he told reporters at the end of his three-day working visit to Vietnam yesterday.

Malaysian investment in Vietnam was only US\$180 million in 1992 but jumped significantly to US\$860 million (RM [Malaysian ringgit] 1.9 billion) last year.

Bilateral trade also rose from US\$55 million (RM128 million) in 1990 to US\$272 million (RM680 million) in 1994, and initial estimates showed that it had exceeded US\$350 million (RM875 million) last year.

Dr Mahathir, who was happy with the outcome of his visit, said Malaysian businessmen had to understand they were working in a foreign country and should expect certain difficulties.

"They must also compete. The fact is that others who sometimes came later have been successful in establishing their businesses here. If they can do it, we should be able to do it also," he added.

Earlier, when opening the Malaya-Vietnam Glass Limited factory, Dr Mahathir said with Malaya Glass' plan to invest in a second glass factory in Hanoi, it was clear Malaysian companies and investors had confidence in Vietnam and its economic potential.

"I have no doubt that as we enter the 21st century, Vietnam will become a major manufacturing centre in this region," he said.

The factory is a joint venture between Malaya Glass and Khanh Hoi of Vietnam with an invested capital of US\$25 million (RM63 million).

At a separate function, Dr Mahathir launched the Proton Wira 1.6 model manufactured in Vietnam for sale in the local market.

Proton's associate company, Vina Star Motors Corporation (Vinastar), plans to produce 200 units of the Proton Wira in the first year of manufacture and will increase the number to 360 units by 1997.

Vinastar is a joint venture between Vietnamese state-owned company Tracimexco, Proton, Mitsubishi Motors Corporation and Mitsubishi Corporation, with each of them holding a 25 percent stake.

SRV: Malaysian Prime Minister, Businessmen Hail Visit

BK1103155696 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 9 Mar 96

[Station correspondent's report on farewell ceremony held for Malaysian Prime Minister Mahathir Mohamed in Hanoi on 9 March — portions recorded]

[FBIS Translated Text] Dear friends, after a two-day working visit to Hanoi, Malaysian Prime Minister Mahathir Mohamed and his wife leave Hanoi for the southern provinces today, 9 March. A ceremony was held at the Government Guest House this morning to bid farewell to the distinguished Malaysian guests. Attending the function were Trade Minister Le Van Triet, Deputy Foreign Minister Nguyen Dinh Binh, and leaders from various ministries and sectors.

Minister Le Van Triet, on behalf of the Vietnamese prime minister, thanked Prime Minister Mahathir Mohamed and the distinguished Malaysian guests for paying an official visit to Vietnam for the second time. He said that the visit contributes significantly to developing relations between the two nations.

Prime Minister Mahathir Mohamed thanked Prime Minister Vo Van Kiet and other Vietnamese officials for their warm welcome and hospitality, through which he was able to hold several working sessions with the Vietnamese delegation during the past two days. Asserting the necessity to accelerate friendship and cooperation between the two countries, the Malaysian prime minister said:

[Begin Mahathir recording in Malay, fading into Vietnamese translation] Our visit to Vietnam is aimed at promoting the interests of our two nations and the whole region. We hold that if our friend and neighbor is not doing well, we will not be able to develop satisfactorily. We are very pleased to see progress and achievements recorded by Vietnam in its national reconstruction. We wish to continue to cooperate with Vietnam in various areas and at various echelons to help Vietnam build a prosperous nation. [end recording]

Speaking about mutual interests and contributions made by the two countries to ensure peace and stability in the region and the world, the Malaysian prime minister said:

[Begin Mahathir recording in Malay, fading into Vietnamese translation] I think that this is the first time this century that we have enjoyed peace, although some issues are still prevalent. We should take the advantage of this situation to develop each of our countries while participating in developing the entire region to catch

up with countries in the West. We have also paid attention to developing projects in the Mekong River's sub-regions because we believe that it is a significant contribution to the common prosperity of the whole region. For this reason, we wish to study investment projects of the countries concerned with an aim to promoting regional cooperation. We have also paid special attention to the transrailway project that links Indochinese nations with other countries of the world. We hope that this project will help promote development in Indochinese countries and in various regions of China, thereby strengthening stability in Asia. Malaysia and Vietnam have maintained a very close relationship past and present. We wish to strengthen relations with Vietnam because our two countries play a key role in the activities of the region. For this reason, we wish to increase exchanges of visits between governments and officials of the two countries to promote friendship and cooperation. [end recording]

Accompanying the Malaysian prime minister on his visit to Vietnam was a large group of businessmen from various major Malaysian corporations and companies. These businessmen expressed satisfaction with the results of their working session with the Vietnamese side during the past two days. They hoped that relations between the two countries in general and between Malaysian and Vietnamese companies, in particular, will develop further. Mr. (Viraj Denruk) head of the Malaysian Renong Group in Vietnam, who participated in the activities of the Malaysian delegation during the past two days, said:

[Begin (Viraj Denruk) recording in English, fading into Vietnamese translation] Various companies from our group are very pleased to hear about development on our visit to Vietnam. I was told that representatives of the Malaysian National Petroleum Corporation Petronas, the Vina Bumi Company, and the Malaysian May Bank were very pleased to witness progress in cooperation between the two countries. With the splendid success of this visit, we are confident that relations of friendship and cooperation between Malaysia and Vietnam will be further developed. [end recording]

SRV: Malaysia's Mahathir 'Successfully' Concludes Visit

*BK1003124396 Hanoi Voice of Vietnam in English
1000 GMT 10 Mar 96*

[FBIS Transcribed Text] Malaysian Prime Minister Mahathir Mohamed and his party left Ho Chi Minh City on Saturday, successfully concluding his visit to Vietnam. Earlier, speaking at a working luncheon organized by Malaysian and Vietnamese business people in Ho Chi Minh City, Prime Minister Mahathir highly appreciated Vietnam's market and its natural resources, which,

he said, contribute to making Vietnam's economy prosperous. He called on Malaysian businesses, which are present in Vietnam, to take an active part in the restoration and development of Vietnam's economy.

During his stay in Ho Chi Minh City, he witnessed the signing of economic contracts between Vietnamese and Malaysian companies and joint ventures.

SRV: Radio Reviews Trade Relations With Australia

*BK0903125296 Hanoi Voice of Vietnam in English
1000 GMT 7 Mar 96*

[FBIS Transcribed Text] The value of two-way trade between Vietnam and Australia has increased ten times compared with five years ago. It now is 500 million dollars. Australia export to Vietnam includes telecommunications, electrical, and medical equipment, oil, and steel product, especially zinc.

According to the Australian ambassador, Ms. Suzanne Boyd, Australia is encouraging Vietnam to develop commodity production for export. In recent years, Vietnam has also increased its export products to Australia. In fact, a great deal of Vietnamese goods have been present in Australian market, balancing the import-export turnover between the two countries. On this issue, Vietnamese commercial counselor to Australia, Mr. Pham Ngoc San, said:

[Begin Pham Ngoc San recording in Vietnamese fading into English translation] Every year, Vietnam exports crude oil, coffee, cashew nuts, seafood, and garments worth 250 million dollars to Australia. The turnover is not as much as that of other countries, but it marks a new step in Vietnam export sector. Australian consumers appreciate Vietnamese goods, especially crude oil, and Vietnam should maintain its foothold in Australian market by providing them with high-quality products [end recording].

Australia also supports this move by Vietnam. Ms. Suzanne Boyd has affirmed to Hanoi that Australia is helping Vietnam to infiltrate export products in the Australian market, and Vietnamese companies to enter Australia.

SRV: Visiting Danish Minister Meets With Do Muoi, Vo Van Kiet

*BK1103160596 Hanoi VNA in English
1545 GMT 11 Mar 96*

[FBIS Transcribed Text] Hanoi VNA March 11 — Party General Secretary Do Muoi and Prime Minister Vo Van Kiet received here this afternoon on separate occasions Danish Minister of Development and Cooperation Poul

Nielson and his party now on a working visit to Vietnam.

Minister Poul Nielson expressed his satisfaction at the effective deployment of the cooperation and development programmes between the two governments.

The Danish minister also expressed his belief that Vietnam's cause of socio-economic development will obtain greater achievements and pledged agreed (as published) that the Danish Government would further increase its assistance, cooperation, and positive contribution to the Vietnamese people's national construction.

Party General Secretary Do Muoi said that 'the Vietnamese Party, State and people have always been grateful to the Danish Government and people for their warm support and precious assistance to the Vietnamese people's struggle for liberation and national defence in the past as well as their national construction at present'.

Mr. Do Muoi briefed his guests the achievements recorded by the Vietnamese people in their renovation process and expressed his wish that the Danish Government will continue to grant development aid to Vietnam and to share experiences on economic management, national construction, and to speed up economic, cultural, scientific and technical cooperation between the two countries.

Minister P. Nielson introduced Prime Minister Vo Van Kiet the preparations for the signing of a memorandum of understanding on the Danish Government's granting credit worth USD 20 million (apart from its ODA programme) for development programmes including agriculture fisheries, safe water, and environment. He said that Denmark wishes to cooperate with Vietnam in the fields of administrative reform and strengthening cooperation and cultural exchanges between the two countries.

PM Vo Van Kiet highlighted the effectiveness of Denmark's development and cooperation programmes conducted in the central highlands, mountainous and remote areas in Vietnam, where infrastructural basis are still backward and people's life is facing many difficulties.

Prime Minister Vo Van Kiet stated the objectives of Vietnam in the coming years is to narrow the gap in living standard between cities and remote areas to concentrate on building infrastructure of transport, water resources, safe water and environment sectors for the better life of people and economic development. 'Vietnam welcomes the cooperation and assistance from its friends, including Denmark.' Mr. Kiet concluded.

SRV: National Assembly Discusses Draft State Budget Law

BK1103150796 Hanoi Voice of Vietnam Network
in Vietnamese 1100 GMT 11 Mar 96

[Radio report on the 11 March proceedings of the Ninth National Assembly in Hanoi]

[FBIS Translated Text] Today is the eighth working day of the Ninth National Assembly's ninth session. The deputies worked in the conference hall to debate the budget law. The National Assembly heard the views contributed by 20 deputies to the draft law. Most of the deputies maintained that our state should promulgate the budget law at an early date to control revenue collection and expenditure sources and to promote economic growth.

With regard to the name of the law, some deputies suggested the term 'state budget management law' to better reflect the spirit and contents of the law. They also suggested that to ensure good budget management, the National Assembly should set up a special committee to monitor revenue collection and expenditure control and to help the National Assembly oversee the government's budget management in a timely manner. Some deputies maintained that to exercise better control over collection sources, it is necessary to see that 100 percent of revenue collection from important branches and areas of activities which are likely to experience collection shortfall, be put under the management of the central budget management committee; whereas the revenue collection sources from other branches and areas of activities ought to be left to the management of provincial people's committees. It is important to standardize the collection and expenditure mechanism, and to select competent, knowledgeable, and politically fit cadres to take charge of this mechanism.

With regard to import-export taxes, part of the collection should be left to the local government, whereas the collection of slaughtering, land use, and housing taxes should be remitted to the village budget. The budget revenue collection and expenditure plan should be formulated in such a way that it can be stabilized within a five-year period to conform with the term of the National Assembly and provincial people's councils.

With regard to a number of provisions and articles of the draft law, many deputies maintained that it was necessary to rewrite or adjust a number of phrases for the sake of accuracy. For example, with regard to Articles 11 and 17, it is necessary to clearly define the (words indistinct) of the organizations in charge, and the Finance Ministry should not assume the role of an

authorized organ to draft the budget revenue collection and expenditure plan for the whole country.

Also at today's session, Vu Mao, chief of the National Assembly's Secretariat and head of the National Assembly Office, convened a press conference to make public the lists of suggestions made by voters countrywide to the Ninth National Assembly's ninth session and a number of activities of the National Assembly for the next working days.

The National Assembly deputies will continue to work in the conference hall tomorrow, 12 March, to debate the draft budget law.

SRV: National Assembly Issues Communiqué No. 7
BK1103160796 Hanoi Voice of Vietnam Network
in Vietnamese 1430 GMT 11 Mar 96

["Communiqué No. 7" issued by the Ninth National Assembly in Hanoi on 11 March]

[FBIS Translated Text] Today, the National Assembly held a plenary session at the conference hall in Hanoi to discuss the draft law on the state budget, under the chairmanship of National Assembly Deputy Chairman Nguyen Ha Phan.

All deputies unanimously agreed that it is necessary to have a law on the state budget. Many deputies contributed ideas to various chapters of the law, especially those concerning the duty and authority of state agencies in allotting and managing the state budget. They also discussed issues relating to the state budget system, verification of the state budget, revenue collection, expenditures of various echelons, relations between central and local budgets, division of budget management with in provinces, budget balancing within provinces and districts, authority of people's committees and councils at various levels concerning budget, relations between people's committees and councils and budget management agencies, investigation and control of budget management, the necessity and organizational structure of the state budget auditing agency, methods to improve tax collection, measures to deal with tax evasion, and policies on wage reform.

Many deputies also expressed their ideas on the various contents and letters of the state budget draft law.

Tomorrow, the National Assembly will continue its work at the conference hall in Hanoi.

SRV: Hanoi 'Easier Transit Point' in Drug Trade
BK1203060696 Bangkok BANGKOK POST (INSIDE INDOCHINA Supplement) in English 12 Mar 96 p 4

[Report by Atchara Achayakachai]

[FBIS Transcribed Text] Hanoi — Hanoi authorities are taking steps to combat international narcotics traffickers and drug abuse among the young.

About 5,400 kg of opium went through the Vietnamese capital last year, some of it to the estimated 300 opium dens in Hanoi and the rest to southern provinces and abroad.

According to the official English-language daily Vietnam News, there are 6,000 addicts in Hanoi, both opium smokers and intravenous users. Many frequent the dens in dark corners of the city.

Heavy addicts spend 400,000 dong (975 baht) on drugs daily and many turn to crime to finance their habit. The daily also reported an increase in the number of fatal overdoses.

The worsening problem is believed to result from Hanoi having emerged as an easier transit point for international traffickers after Thai authorities tightened their suppression drive.

Vietnamese security officials said there are four major drug routes leading to Hanoi, the most important from the Golden Triangle, where the borders of Thailand, Laos, and Burma meet, through Laos into Vietnam.

The second is a network of land and water routes from Vietnam's opium-producing provinces, such as Lai Chau, Son La, and Lao Cai.

Last year, a gang of traffickers in Son La was caught with 227 kg of opium, a record seizure for Vietnam.

The third route is from Laos to the western province of Nghe An and then up Highway 1 to Hanoi. Security forces have also arrested traffickers along this route.

The fourth route is from countries this region to Hanoi's Noi Bai airport and Ho Chi Minh City's Tan Son Nhat airport. [as published]

Vietnam has labelled drug addiction a social evil and has implemented tough suppression measures, including the death sentence to a Laotian trafficker, Siang Pheng, who was charged with possession with intent to sell 15 kg of heroin.

The United States State Department has recently listed Vietnam, along with 12 other Asian countries, as a major producer and transit point.

12 March 1996

SRV: Do Muoi Attends NHAN DAN Anniversary Celebration

*BK1103153096 Hanoi Voice of Vietnam Network
in Vietnamese 0500 GMT 9 Mar 96*

[FBIS Translated Text] The paper NHAN DAN, mouthpiece of the Communist Party of Vietnam, held a ceremony this morning, 9 March, to mark its 45th founding anniversary. Attending the function were party General Secretary Do Muoi; Party Central Committee Adviser Vo Chi Cong; Deputy Prime Minister Phan Van Khai; Vice President Nguyen Thi Binh; Le Quang Dao, chairman of the Vietnam Fatherland Front Central Committee; many members of the party Central Committee Political Bureau and Secretariat; leading cadres of ministries, branches, and sectors; representatives of mass organizations; key cadres from various provinces; and representatives of press agencies.

Comrade Huu Tho, member of the party Central Committee and editor in chief of NHAN DAN, on behalf of journalists working for party newspapers, delivered a speech saying that during the past 45 years, generations of NHAN DAN personnel have made great efforts and sacrifices to fulfill all tasks assigned by the party and people especially in the press and ideological work. These efforts and contributions have enhanced NHAN DAN's elated tradition of maintaining its loyalty to the revolutionary cause of the party and the nation, and staying close to the people. The paper has taken the people's revolutionary action movement as a basis for propagating, promoting, and strengthening the role of NHAN DAN as the mouthpiece of the party and the state and as the forum of the people.

Addressing the function, Party General Secretary Do Muoi commended NHAN DAN for its achievements recorded over the past 45 years. He pointed out shortcomings of NHAN DAN and outlined tasks and orientations of the newspaper in the days ahead, especially tasks in the current revolutionary stage. He expressed the hope that NHAN DAN personnel and workers will strive to fulfill their glorious duty especially in renovating and enhancing the quality of the newspaper.

At this solemn ceremony, NHAN DAN was conferred the Gold Star Order, the state highest distinction.

SRV: NHAN DAN Receives 'Gold Star' Order

*BK1103091396 Hanoi VNA in English
0655 GMT 11 Mar 96*

[FBIS Transcribed Text] Hanoi VNA March 11 — The party daily NHAN DAN has received the Gold

Star Order, the highest distinction in Vietnam, on the occasion of the 45th anniversary of its first publication (March 11, 1951-1996).

Attending the meeting held here last Saturday were General Secretary of the Communist Party of Vietnam Central Committee (CPVCC) Do Muoi, Advisor to the CPVCC Vo Chi Cong, Vice State President Nguyen Thi Binh, Deputy Prime Ministers Phan Van Khai and Nguyen Khanh, and President of the Vietnam Fatherland Front's Presidium Le Quang Dao, and other senior party and state officials.

In his commemorative speech, Mr. Huu Tho, member of the CPVCC and editor-in-chief of the newspaper, reviewed its glorious history over the past 45 years. In the different stages of the Vietnamese revolution, the paper's predecessors included Thanh Nien (youth), Tranh Dau (struggle), Dan Chung (the masses), Co Giai Phong (liberation flag), and Su That (truth) newspapers.

After highlighting the great efforts made by different generations of the paper's staff and expressing their determination to bring into full play the tradition and achievements to overcome shortcomings, the editor-in-chief pointed to the orientations of the paper in the new stage of national development, a period of industrialization and modernization of the country under the leadership of the party.

Addressing the function, party General Secretary Do Muoi hailed the achievements recorded by the staff of the party newspaper, who had made 'worthy contributions to the cause of national liberation, independence, construction, and defence of Vietnam.'

The party leader said: 'NHAN DAN newspaper has widely disseminated policies of the party and government, truthfully reflected the renovation process in every part of the country, engaged in party building activities, and actively taking part in the fight against negative phenomena and social evils.'

Mr. Muoi also pointed to weak points and errors that the paper should overcome and to its orientation in the future so that it will hold the attention of a greater number of readers and meet the trust of the entire party members and people.

Vice State President Nguyen Thi Binh attached the gold star order to the newspaper's banner during the ceremony.

Australia

Australia: Downer Urges Restraint in China-Taiwan Tension

BK1203055896 Melbourne Radio Australia
in English 0500 GMT 12 Mar 96

[FBIS Transcribed Text] The new Australian Government has called in China's ambassador to Canberra, Hua Jun Duo, and asked Australia's ambassador in Beijing to relay its concern to the Chinese Government.

Australia's Foreign Affairs Minister Alexander Downer says China's military exercises are raising concerns about security in East Asia.

[Begin Downer recording] We have called for restraint on the part of the Chinese. We also will be making similar points to Taiwan. We believe this is a situation which is a matter of concern, and we are anxious that those concerns can be allayed as quickly as possible. [end recording]

[Hong Kong AFP in English at 0525 GMT on 12 March reports on Downer's comments. According to AFP, Downer also said: "Exercises involving missile tests close to settled areas on Taiwan clearly heighten re-

gional and international concern about the consequences of these actions. They also increase the possibility of a misunderstanding or miscalculation by either party."

AFP adds: "He said the government, which was also taking steps to ensure that the Taiwanese authorities understood Australia's concerns, is committed to 'maintaining an active and constructive relationship with China.'

"We will seek to engage China through full and regular dialogue across the broad range of security, political and economic issues of shared importance."

"Australia's 'one-China policy,' which recognises the People's Republic as the sole legal government of China and acknowledges its position that Taiwan is a province, would remain unchanged.

"But Downer said Canberra acknowledged and welcomed progress towards democratisation in Taiwan and believed that maintenance of the one-China policy should enable the democratisation process to be sustained.

"As part of our regular pattern of regional dialogue, the government will continue to consult regional countries on this issue."]

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